ATTACHMENT 14

Daga, Ramesh March 11, 2014

1

IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

-----:

IN RE: PROCESSED EGG PRODUCTS : MDL NO. 2002

ANTITRUST LITIGATION : 08-md-02002

-----:

THIS DOCUMENT RELATES TO : DAY 1, VOL. I

Kroger, Inc. v. United Egg :

Producers, et al., :

No. 2:10-cv-06705 GP

HIGHLY CONFIDENTIAL

VIDEOTAPED DEPOSITION

OF RAMESH DAGA

Tuesday, March 11, 2014

Tenafly, New Jersey

8:58 a.m.

Henderson Legal Services, Inc.

Daga, Ramesh

March 11, 2014

2 (Pages 2 to 5)

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2
         TRANSCRIPT of the Highly Confidential
                                                                   APPEARANCES:
     30(b)(6) Videotaped Deposition of RAMESH DAGA, called
     as a witness for examination by Defendants, pursuant
                                                                   On Behalf of Defendant Rose Acre Farms, Inc.:
     to the Federal Rules of Civil Procedure of the United
                                                                      PORTER, WRIGHT, MORRIS & ARTHUR, LLP
     States District Court, held at the Clinton Inn Hotel
                                                                      41 South High Street
     and Event Center, 145 Dean Drive, Tenafly, New Jersey,
                                                                      Suites 2800 - 3200
     on Tuesday, March 11, 2014, commencing at
                                                                      Columbus, Ohio 43215-6194
     approximately 8:58 a.m., before Josephine H. Fassett,
                                                                      614.227.4440
     a Certified Court Reporter, Registered Professional
                                                                   BY TELEPHONE: ANDREW J. MOODY, ESQ.
10
                                                             10
     Reporter, Certified Livenote Reporter and Notary
                                                                      amoody@porterwright.com
11
                                                             11
     Public of the State of New Jersey.
12
                                                             12
13
                                                             13
                                                                   ALSO PRESENT:
14
                                                             14
                                                                      MARCELO RIVERA, Videographer
                                                             15
                                                             21
                                                      3
                                                                                                                   5
      APPEARANCES:
                                                                         -----INDEX-----
                                                                  WITNESS
                                                                                                 PAGE
      On Behalf of Plaintiff Conopco, Inc. and the witness,
                                                                  RAMESH DAGA
      Ramesh Daga:
                                                                     By Mr. Greene
         KENNY NACHWALTER, P.A.
                                                                          AFTERNOON SESSION - 161
         1100 Miami Center
         201 Soth Biscayne Boulevard
         Miami, Florida 33131-4327
                                                                  -----INDEX OF EXHIBITS-----
         305.373.1000
                                                                  EXHIBIT
                                                                                                PAGE
                                                                  Exhibit 1 (Withdrawn)
      BY: KEVIN J. MURRAY, ESQ.
11
         kmurray@kennynachwalter.com
                                                                  Exhibit 2 Defendants' Notice of Deposition
12
                                                             12
                                                                        to Plaintiff Conopco, Inc. Pursuant
13
                                                             13
      On Behalf of Defendants Michael Foods, Inc. and
                                                                        to Fed. R. Civ. P. 30(b)(6)
                                                             14
14
      Papetti's Hygrade Egg Products, Inc.:
                                                                  Exhibit 3 Direct Action Plaintiff Conopco,
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         STINSON LEONARD STREET LLP
                                                                        Inc.'s Statement of Affiliates
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16
         150 South Fifth Street
                                                                  Exhibit 4 E-mail Exchange, Bates
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         Suite 2300
                                                                        CPCEGED00082345 to CPCEGED00082347
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         Minneapolis, Minnesota 55402
                                                                  Exhibit 5 Urner Barry Market Update, Bates
19
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                                                                        CPCEGED00071647
         621.335.1568
20
                                                                  Exhibit 6 Email Exchange, Bates
      BY: WILLIAM L. GREENE, ESQ.
                                                             21
21
                                                                        CPCEGED00085673 to CPCEGED00085676
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         william.greene@stinsonleonard.com
                                                                  Exhibit 7 Purchase Agreement, Bates
23
                                                                        CPCEG00000009 to CPCEG00000046
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                                                                  Exhibit 8 Email Exchange, Bates
                                                                        CPCEGED00082811 to CPCEGED00082820
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6 1INDEX OF EXHIBITS 2 EXHIBIT PAGE 3 Exhibit 9 Pricing Document, Bates 4 CPCEGED000066528 121 5 Exhibit 10 Transactional Data Spreadsheet 134 6 Exhibit 11 Purchase Spreadsheet 142	(Whereupon, on the video record.) THE VIDEOGRAPHER: This is DVD No. 1 of the
2 EXHIBIT PAGE 3 Exhibit 9 Pricing Document, Bates 4 CPCEGED000066528 121 5 Exhibit 10 Transactional Data Spreadsheet 134	THE VIDEOGRAPHER: This is DVD No. 1 of the
3 Exhibit 9 Pricing Document, Bates 4 CPCEGED000066528 121 5 Exhibit 10 Transactional Data Spreadsheet 134	THE VIDEOGRAPHER: This is DVD No. 1 of the
4 CPCEGED000066528 121 5 Exhibit 10 Transactional Data Spreadsheet 134	
5 Exhibit 10 Transactional Data Spreadsheet 134	video deposition of Mr. Ramesh Daga In Re:
Exhibit to Transactional Data Opteadoneet 134	Processed Egg Products Antitrust Litigation in
6 Eyhibit 11 Buroboog Sproodoboot 142	5 the Eastern District Court for the Eastern
⁶ Exhibit 11 Purchase Spreadsheet 142	⁶ District of Pennsylvania.
⁷ Exhibit 12 Email, Bates CPCEGED000083988 to	⁷ This deposition is being held at the Clinton
8 CPCEGED000083989 148	8 Inn Hotel and Event Center located at 145 Dean
9 Exhibit 13 Email Exchange, Bates	⁹ Drive, Tenafly, New Jersey, on March 11, 2013, at
10 CPCEGED000084327 to CPCEGED000084328 151	approximately 8:58 a.m.
Exhibit 14 Email, Bates CPCEGED00106162 to	My name is Marcelo Rivera from the firm of
12 CPCEGED00106168 155	Henderson Legal Services.
Exhibit 15 Supplier Segmentation PowerPoint,	The court reporter is Josephine Fassett in
14 Bates CPCEGED00066832 to	association with Henderson Legal Services located
15 CPCEGED00066838 161	at 1015 15th Street, Northwest, Suite 525,
Exhibit 16 Transactional Data Spreadsheet,	Washington, D.C.
17 Bates CPCEGTD00000001 174	Will present counsel please introduce
18 Exhibit 17 Email, Bates MFI0364924 188	themselves for the record.
19 Exhibit 18 Protective Order 188	MR. GREENE: William Greene of Stinson
Exhibit 19 Email, Bates CPCEGED00071679 to	Leonard Street, counsel for Michael Food
²¹ CPCEGED00071680 195	Defendant Michael Foods, Inc.
Exhibit 20 Email, Bates CPCEGED00085826 197	MR. MURRAY: Kevin Murray from Kenny
Exhibit 21 Email Exchange, Bates CPCEGED00086132	Nachwalter on behalf of Plaintiff Conopco, Inc.
24 to CPCEGED00086134 202	and the witness, Mr. Daga.
Exhibit 22 Email, Bates CPCEGED00086142 207	THE VIDEOGRAPHER: Will the court reporter
2 EXHIBIT PAGE 3 Exhibit 23 Email Exchange, Bates CPCEGED00083571 4 to CPCEGED00083572 209 5 Exhibit 24 Email Exchange, Bates MFI0109300 to MFI0109301 210 7 Exhibit 25 Email, Bates CPCEGED00083640 213 8 Exhibit 26 Email Exchange, Bates CPCEGED00083641 to CPCEGED00083643 220 10 Exhibit 27 Email, Bates MFI0109730 to MFI0109731 223 11 Exhibit 28 Email Exchange, Bates CPCEGED00103941 12 to CPCEGED00103943 228 13 Exhibit 29 Email Exchange, Bates CPCEGED00103948 14 to CPCEGED00103952 229 15 Exhibit 30 Email Exchange, Bates CPCEGED00083993 16 to CPCEGED00083994 232	MR. GREENE: Before you swear the witness. Is there anyone on the phone? MR. MOODY: Andrew Moody from Porter Wright on behalf of Rose Acre Farms. MR. GREENE: Anyone else? Please swear the witness. RAMESH DAGA, the witness, having been duly sworn, was examined and testified under oath as follows: EXAMINATION BY MR. GREENE: Q Good morning. Could you please state your name. A My name is Ramesh Daga. Q Mr. Daga, we met a few moments ago. I'm
Exhibit 31 Q&A, Bates CPCEGED00104052 to	William Greene. I'm going to be taking your
18 CPCEGED00104055 234	deposition today.
19 Exhibit 32 Email Exchange, Bates CPCEGED00103986	First of all, let's start by asking if you
20 to CPCEGED00103990 238 21 Exhibit 33 PowerPoint Rates CPCEGED00066366	could state your address, please.
Exhibit 33 FowerFoirit, Dates of CEGED00000300	A My home address or work address?
10 OF GLGLD00000373 244	Q Both, please.
Exhibit 34 Email, Bates of GEGEBOOGGOOG	A My work address, 800 Sylvan Avenue, Englewood Cliffs New Jersey 07635. And my home
Exhibit 35 Email, Bates CPCEGED00104061 249	Linglewood Oillis, New Jersey 07055. And my nome
	address is 21 Jardine Lane, Lincoln Park, New Jersey

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4 (Pages 10 to 13)

10	+ (1 ages 10 to 13)
10	12
1 07035.	A Yes.
² Q And do you understand today that you are	² Q And does Mr. Murray represent you
that you are testifying both in your individual	individually?
capacity and on benan of conopco:	A On benan or my employer.
A Tub.	Okay. 30 you understand film to be counsel
Have you had your deposition taken before?	Tor Correct, is that correct:
A NO.	A mais conect.
Q This is your first deposition that you've	Okay. And do you understand him to be your
ever taken, contect:	personal counsel as well:
A 165.	A Iddit kilow.
well, fill sufe your counsel has described	Tou don't know one way of the other?
the procedure to you, but let me give you a lew of the	A Correct.
background rules or guidelines. "m going to be asking you questions this	Q Now, you said that you had you talked to
Till going to be asking you questions this	many people internally at officers, is that correct:
Informing, and you're going to be providing answers, and	A Collect.
the court reporter is going to be taking down your	Okay. And you said you talked to people
testimony. Do you understand:	Over a period of many weeks:
A 100.	A Several weeks.
Q Okay. It's important that you answer	Geveral weeks. How much time have you spent
questions out loud, addibly, because the court	preparing for this deposition:
reporter carritake a flod of the flead of a shake of	A Somewhere between six to eight hours.
the flead one way of the other. Do you understand	Q Total:
liat:	A Total.
A res, ruo.	Q Okay. Who did you speak to at is it
²⁵ Q I'm going to do my best to ask clear	²⁵ Conopco or Unilever? I'm going to be asking questions
11	13
¹ questions, but there may be some questions that aren't	later about that. But who did you speak to at
² very clear that you don't understand. If I ask you a	² Unilever regarding this deposition?
question you don't understand, will you let me know	A I spoke to Ernani Woods. I spoke to Piere
that you don't understand the question?	Gagne. I spoke to Stuart Cobert.
⁵ A Yes.	D Okay. I'm going to ask you to spell some
6 Q And if you do ans if I ask you a question	6 names for me here. Ernani Woods?
and you do answer the question, I'm going to assume	⁷ A Correct.
8 you understood the question. Is that fair?	8 Q Okay. That one I think I understood. What
⁹ A Fair.	9 was the next name?
Q Okay. Is there any reason today that you	¹⁰ A Piere Gagne.
can't give full and complete testimony?	Q Can you spell that?
¹² A No.	A P-i-e-r-e. Last name Gagne, spelled
Q What did you do to prepare for your	¹³ G-a-g-n-e.
deposition today?	Q And was there another name?
¹⁵ A So I work with my counsel for several weeks.	¹⁵ A Stuart Cobert. C-o-b-e-r-t.
16 I talked to many people internally at Unilever to	Q Okay. Other than Mr. Woods, Mr. Gagne,
prepare for this case.	Mr. Cobert, did you speak to anyone else about this
¹⁸ Q Okay. Let me just ask: Are you represented	¹⁸ deposition?
¹⁹ by counsel today?	¹⁹ A My outside counsel.
MR. MURRAY: Yes, he is.	²⁰ Q Who is that?
²¹ A Yes.	²¹ A Kevin.
MR. MURRAY: I've announced that on the	Q Oh, Mr. Murray. Okay. And no one else
²³ record.	other than those four people?
MR. GREENE: Okay. I'm asking the witness.	A No one else other than those four people.
²⁵ Q Are you represented by counsel?	²⁵ Q Okay. What did you speak to Mr. Woods

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5 (Pages 14 to 17)

14	
I	16
¹ about?	with us, and how pricing is done, that kind of thing.
² A So Mr. Wood is, he's a present egg buyer.	² Q What did he tell you about how pricing was
3 Q He's a what?	done?
⁴ A He is a current egg buyer.	4 A It's on a formula basis, it depends upon how
5 Q Current egg buyer.	5 the market was.
6 A Correct.	6 Q Did you talk to Mr. Woods about anything
7 Q Okay.	⁷ else?
8 A So he got me up to date after I left buying	8 A Not yesterday, no.
9 eggs.	9 Q Well, at any point in preparation for the
¹⁰ Q When was that?	deposition.
A I did that yesterday.	11 A No.
Q Okay. When did you stop as the egg buyer?	Q Mr. Gagne, what did you speak to Mr. Gagne
When did your term as egg buyer end?	about?
14 A 2007.	A I spoke to him yesterday also. He's
15 Q 2007.	supposed Mr. Wood is based in Brazil, so Mr. Gagne
A I missed one name. Mary Pheil also I spoke	is based in Montreal, so he is also participating in
internally in the company, so	egg purchasing at a local level. So essentially I've
¹⁸ Q Can you spell that one?	talked the same thing with Mr. Gagne what I've talked
19 A So first name Mary.	with Wood. They both collectively manage egg buying
²⁰ Q Mary.	right now.
21 A Last name P-h-e-i-l.	Q When you were the egg buyer, where were you
²² Q P-h-e-i-l?	located?
²³ A Correct.	A Right here in Englewood Cliffs.
Q Okay. Let me go back. You said that you	Q And did you just speak to Mr. Gagne
ended your role as egg buyer in 2007?	²⁵ yesterday?
, 35 ,	•
15	17
1 A Correct	1 A For and litigation case vectorday only
A Correct.	A For egg inigation case yesterday only.
Q When in 2007:	Q Okay. In connection with this deposition
A rudii trecan specifically when really. We	just yesterday?
went to transition period, so there was overlapping	A residuay.
for a while. So I don't recall exactly when, so I don't know exactly when.	Q Okay. And for now long?
don't know exactly when.	
Q Okay. Do you know in it was early in the	And what about wil. Stuart Cobert:
 year or late in the year? A I'd say early in the year if I had to guess. 	A So he is my in-house counsel.
¹⁰ Q Okay. And did Mr. Woods take over from you	 Q In-house counsel? A Correct.
in 2007?	Q Now, did you speak to Mr. Cobert in
12 A That's correct.	preparation for your deposition?
¹³ Q As the egg buyer?	A Yesterday, yes.
14 A Correct.	Q Okay. And what did you talk to Mr. Cobert
Q And so you discussed with Mr. Woods his work	about?
as an egg buyer since 2007?	MR. MURRAY: Objection, attorney-client
A Correct.	privilege. I will allow him to discuss the
¹⁸ Q Did you talk to Mr. Woods about anything	corporate organizational structure of the
19 else?	company, which he did, which is a nonlegal issue,
²⁰ A No.	but other than that we're asserting
²¹ Q And what did Mr. Woods tell you in	attorney-client privilege.
22 preparation for your deposition?	MR. GREENE: Well, I'm asking I'm just
MR. MURRAY: Objection, overly broad.	asking about what he discussed in preparation for
A So we have talked about our current egg	his deposition, I'm not asking for
25 situation who are the suppliers, their market share	MR. MURRAY: Well, yeah, but that includes
Stadion with and the suppliers, their market share	with morard (1. Woll, your, but that moldues

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6 (Pages 18 to 21)

18 20 privileged materials. A That's attorney-client privilege. MR. GREENE: Okay. Q Okay. And I think what your counsel is MR. MURRAY: All right. He can answer about saying, a part of it, because it was in preparation the corporate structure, which he got from for deposition, was not attorney-client privilege, and in-house counsel, because that's one of the that's the part I'm trying to ask about. topics, but anything else we're asserting the So, my understanding is, you talked about privilege. certain matters involving attorney-client privilege, MR. GREENE: All right. and I'm not going to ask about those, you understand? MR. MURRAY: That's not a legal issue. It's A I do. not giving, providing legal advice, it was Q Okay. Then my understanding is you also 11 11 providing factual information. discussed certain factual matters that your counsel is 12 12 MR. GREENE: All right. not claiming privilege on concerning, for example, 13 13 BY MR. GREENE: corporate structure? 14 14 Q With your counsel's sort of instruction or A Corporate structure, correct. 15 15 limitation, what did you speak to Mr. Cobert about? Q Okay. What did Mr. Cobert tell you about 16 16 MR. MURRAY: And I'd caution you to just corporate structure? 17 17 talk about factual matters concerning the A So in terms of corporate structure he -- we 18 18 corporate structure. already know that he supports our procurement 19 19 A So Stuart Cobert is our in-house counsel. organization for various legal matters, including 20 He is part of our legal team based in Englewood litigation, including contracts and various legal 21 21 Cliffs, New Jersey. He reports to we are some matters comes out of our organization. He is our 22 22 hierarchy to our leadership team based in New Jersey business partner. He supports us on those matters. 23 here. 23 MR. MURRAY: Maybe it would help if I talk 24 And what did you talk to him about? 24 to the colleague off the record and I talk to 25 25 MR. MURRAY: Again, limited to the factual him 19 21 matters about corporate organization. MR. GREENE: Let's go off the record, A So he is my in-house attorney and he advises and helps and supports our organization for various MR. MURRAY: If you want to, you know -- I legal matters. mean, I can represent to you he talked to and he Q Okay. And I understand, I'm asking you -explained the legal -and maybe my question isn't clear -- you discussed MR. GREENE: Let's wait and let the certain factual matters with him, correct? videographer sign off. THE VIDEOGRAPHER: The time is 9:12 a.m. A We have gone over this case. MR. MURRAY: Don't -- don't talk about the We're going off the record. case, talk about the corporate structure (Whereupon, off the record.) 11 11 information that was provided to you, which are (Whereupon, resumed.) 12 12 the factual matters that were discussed. THE VIDEOGRAPHER: The time is 9:14 a.m., 13 13 A Stuart is part of our noncommittal and we're back on the record. 14 14 leadership team and he provides counsel on legal BY MR. GREENE: 15 15 matters, help to our organization, procurement Q We talked about your conversations with 16 16 organization. Mr. Cobert, correct? 17 17 A Correct. Q And what factual matters did Mr. Cobert talk 18 18 Q Okay. And what factual matters did you to you about in preparation for your deposition? 19 19 A Once again, he's part of our legal team. He discuss with Mr. Cobert in preparation for your 20 20 provides support for the various legal matters to our 21 A So with Stuart we'd gone over our, how our procurement organization. Q Okay. And I'm trying to be as clear as I organization is structured. For example, Conopco is 23 can. You're describing what Mr. Cobert does and what my employer and Conopco is a subsidiary of Unilever 24 24 his role is, and I appreciate that. But you had a United States. And then, you know, the mother company over here in the United States he told is Unilever PLC conversation with Mr. Cobert, correct?

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7 (Pages 22 to 25)

	22	24
1	and BV.	to five, five minutes to half an hour.
2	Q I want to make sure I understood the last	² Q And you said once or twice on the phone,
3	part. Is it the mother company of Unilever United	³ correct?
4	States is Unilever PLC; is that correct?	⁴ A Correct.
5	A PLC and also Unilever Dutch company is	⁵ Q When did the phone calls take place?
6	called Unilever BV.	⁶ A Several weeks ago.
7	Q BV?	Q Prior to those phone calls, had you ever
8	A B as in boy, V as in Victor.	spoken to Mr. Murray before?
9	Q BV. Okay. And you are employed by Conopco,	⁹ A Not not face to face and not on phone,
10	Inc.?	10 no.
11	A That's correct.	¹¹ Q Had you ever spoken to him at all?
12	Q And have you been employed by Conopco, Inc.	A No.
13	since you joined this organization?	Q Prior to a few weeks ago, had you ever
14	A That's correct.	spoken to any of the lawyers who are representing
15	Q You were never employed by Unilever	Conopco in this lawsuit?
16	A No.	A Not for this lawsuit in particular, no.
17	Q separate from Conopco?	Q So, was the first time you talked to any
18	A No.	Q 50, was the first time you talked to any
19		lawyers about this inigation a few weeks ago:
20	Q Regarding factual matters, did you speak to	A COITECL.
21	Mr. Cobert about anything else?	Daga, do i nave that right?
	MR. MURRAY: Objection. Attorney-client	A Daya, yean.
22	privilege. That's the only that's the only	Q Sorry, I want to make sure I pronounce it
23	thing that I'm aware of that I'm not asserting	²³ correctly.
24	the privilege on. And, and you're	A Sure.
25	MR. GREENE: Okay.	²⁵ Q Could you give me your educational
2 3 4 5 6 7 8 9	MR. MURRAY: You're getting into distinctions between factual and legal advice and confusing the witness. But that I can represent that's the only, the only factual thing that we asked Mr. Cobert about. Q Well, is that the only factual matter you discussed in preparation for your deposition? A We MR. MURRAY: Objection. A discussed organization matters with	background? A So I'll start from backwards. I am MBA in finance. Prior to that because I did that in Texas. Prior to that my education was in India. Did you grow up in India? A I came to this country in 1983. How old were you at that point? A Twenty-three. What education did you already have at the time that you came to the United States in 1983?
11	Stuart Cobert.	A So I had undergraduate in commerce.
12	Q You said that you met with Mr. Murray; is	Q What education did you get after you arrived
13	that correct?	in the country?
14	A That's correct.	14 A MBA.
15	Q How many times did you meet with Mr. Murray	Q Okay. And you said Texas, what school in
16	in preparation for the deposition?	16 Texas?
17	A Face to face or on the phone?	A Sul Ross State University. So S-u-I, next
18	Q Either one.	word Ross, R-o-double S, State University.
19	A Once face to face yesterday, and once or	¹⁹ Q Is the first word S-u-!?
20	twice on the phone.	A Correct.
21	Q How long was the meeting yesterday?	Q Sul Ross.
22		22 A Sul Ross.
23		A Jul Noss.
	hours.	Q State:
	O Okay And have languaged the phase at 11-0	1 47 A Vaa
24 25	Q Okay. And how long were the phone calls? A Phone calls were ranging from half an hour	A Yes. 25 Q And you got an MBA in finance?

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8 (Pages 26 to 29)

l -	-	6 (1 ages 20 to 29)
	26	28
1	A That's correct.	¹ Q All right. And when you joined Conopco
2	Q Okay. And what year did you get that	and we've established you went to work for Conopco,
3	degree?	³ Inc.; is that correct?
4	A December 1983.	⁴ A Conopco, Inc.
5	Q Do you have any education, any education	Q All right. And what was your position when
6	after you received your MBA in finance?	⁶ you joined Conopco, Inc. in 1994?
7	A No.	⁷ A Transportation manager.
8	Q Okay. What did you do after you obtained	8 Q How long did you have that position?
9	your MBA in finance in 1983?	⁹ A Three years.
10	A So I was employed by a company in Chicago.	Q What did you do as transportation manager?
11	Q What was the company?	A I managed transportation and logistics of
12	A The company name back then was Universal	one of the plants Conopco had in U.S.
13	Edible Oils, Inc.	Q Which plant is that?
14	Q Universal Edible Oils, Inc.?	A A place called Channahon, Illinois.
15	A Correct.	¹⁵ C-h-a-n-n-o-h-o-n. H-a-n maybe. Channahon, Illinois.
16	Q I have to ask: What was Universal Edible	Q Well, what is produced in Channahon,
17	Oils, Inc.?	17 Illinois?
18	A So they processed vegetable oils.	¹⁸ A Vegetable oils.
19	Q Vegetable oils. Okay. What did you do for	Q And what does the transportation manager for
20	them?	²⁰ Channahon, Illinois do?
21	A I had various jobs, all of them were in	A They negotiate transportation rates from
22	procurement.	trucking company. They manage the transportation of
23	Q Procurement. What did you buy?	the plant.
24	A I bought oils, vegetable oils, for company	Q During that period from 1994 to 1997, did
25	towards end.	you have any procurement responsibilities?
1	Q How long did you have that position? I'm	¹ A Transportation procurement.
2	sorry. What was the position?	Q Other than transportation procurement.
3	A Call me purchasing manager.	³ A No.
4	Q Budgeting manager?	Q Okay. Okay. And, then, so we're up to
5	A Purchasing manager.	⁵ 1997. Did you get a new position in 1997?
6	Q And did you have any other positions at	⁶ A Within Conopco, that's correct.
7	Universal Edible Oils, Inc.?	Q Okay. And so, again, still working for
8	A I was also cost accountant.	8 Conopco, Inc., correct?
9	Q Okay. Anything else at that any other	⁹ A Correct.
10	positions at that company?	Q What was your position in 1997?
12	A No.	A Oil buying manager.
12	Q Did you start there in 1983?	Q Oil buying manager?
13	A I started there in '84.	A Correct. At the plant in Englewood Cilis,
15	Q Okay. What did you do between your	New Jersey.
16	graduation in '83 and '84?	And what did you do as the oil buying
17	A I was looking for jobs.	manager:
18	Q Okay. In 1984 did you end your employment	A i bought one for company, for my employer.
19	at Universal Edible Oils, Inc.?	And who were the end users within your
20	A No. I worked there till Q I'm sorry.	 company of the oils that you purchased? A Our internal plants.
21		
22	A 1994. Q 1984 to 1994?	Q For what products would you buy oils? A Margarine. For dressing. For sauce. Those
23	A Correct. 1984 to 1994 I worked there.	were the main users back then in '97.
24	Q Okay. And what happened in 1994?	Q What was your you said your title, was
25	A I joined Conopco.	your title oil buying manager?
	A i joined conopec.	your title on buying manager:

Henderson Legal Services, Inc.

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9 (Pages 30 to 33)

	9 (1 ages 30 to 33)
30	32
¹ A Correct.	¹ Q Soybean?
² Q Who did you report to?	² A Uh-hum.
A A gentleman by the name of Rich Connors.	³ Q Any other examples?
4 Q What was his position?	4 A That's all I can recall.
5 A Director of purchasing.	5 Q What are emulsifiers?
6 Q Director of purchasing?	6 A Emulsifier is an ingredient which helps in
7 A Correct.	flavor profile or keeps the product intact. I'm not
8 Q To your understanding, then, is Mr. Connors	the technical person, so I may not be telling you the
9 in charge of all the buying managers of all the	right description, but it's an ingredient which is
¹⁰ products?	part of our product.
¹¹ A No, only commodities.	Q And who were the major suppliers of the oil
Q Okay. What is a commodity?	that you purchased when you were oil buying manager?
A Commodity is like vegetable oil, vegetables,	A Company like Archer Daniels Midland.
14 sugar.	¹⁴ Cargill. They are two examples.
¹⁵ Q What are examples of products that would be	¹⁵ Q How long were you oil buying manager?
What are examples of products that would be	A Until approximately 2000.
 purchased by Conopco that are not commodities? A Packaging material. Office supplies. 	Q Did you take a new role in 2000?
18 Ingredients.	Did you take a new role in 2000:
19 Q When you say ingredients, is ingredients a	A Correct. 19 Q What role did you assume in 2000?
which you say ingredients, is ingredients a	
20 non-commodity? 21 A Correct.	
A Contect.	Q Still in still working for Conopco? A Correct.
Q Okay. How do you distinguish between how	
does to your understanding, now does conopco	Q IIIC.:
distinguish between a commodity and an ingredient	A Correct.
that's not a commodity?	²⁵ Q Still in New Jersey?
31	33
A That's an internal grouping, we did that,	A Correct.
there was no hard-and-fast rule. Basically, so	Q Okay. What was your job as budgeting
wherever there is the market, established market,	3 manager?
exchange-based market, we call them as a commodity.	
Q And if it's not an exchange-based market,	MR. MURRAY: You're not understanding. He
6 then you call it an ingredient?	said purchasing manager.
A Not necessarily, that's one of the examples.	7 MR. GREENE: I'm I'm terribly sorry.
8 So it was not clear hard-and-fast rule what's	8 I'll try and listen better.
considered commodity in what we call internal	THE WITNESS: Maybe it's my accent maybe.
grouping, so.	MR. GREENE: You know, I should
¹¹ Q What are examples of ingredients that are	Mr. Murray understood you, so I'll do my best.
not treated as commodities?	BY MR. GREENE:
A For example, protein. Emulsifiers. Two	¹³ Q You were purchasing manager?
¹⁴ examples.	14 A Correct.
¹⁵ Q What are protein for purposes of buying?	Q I'm sorry. Okay. And what was your what
A Protein, we use protein in our product, soy	were your responsibilities as purchasing manager?
protein. That's one of the examples.	A I was purchasing various material, it was
¹⁸ Q Is that the name of the product that you	one of the materials.
19 would buy?	¹⁹ Q What was one of the materials?
A No, protein is a very generic description.	²⁰ A Eggs.
²¹ Q So can you give me an example of a protein	Q Eggs. Okay. But you were purchasing other
that Conopco would buy?	materials as well?
²³ A Soybean protein.	A Correct.
²⁴ Q What?	Q What else were you purchasing?
²⁵ A Soybean protein.	²⁵ A Flour. Flour.

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10 (Pages 34 to 37)

24	10 (1 ages 54 to 57)
34	36
1 Q Flour.	Q A percentage, some, some sense of how much
A Rice.	or your time you spent on egg products versus other
Q who did you report to in your position as	³ products.
4 purchasing manager?	A I'll say one-third for egg product.
5 A I still reported to Rich Connors.	Q And what about the other two-thirds?
Q Is Mr. Connors also located in New Jersey?	6 A Flour. Rice.
⁷ A He was.	⁷ Q And was that fraction one-third about the
⁸ Q At that time?	same throughout the period from 2000 to 2007?
⁹ A That time.	⁹ A It depends. It changes. It depends on what
¹⁰ Q Is he still with the company?	issue you deal with. How easy, how complex is market,
¹¹ A No.	so there is no fixed rule for year.
¹² Q When did he leave the company?	Q But was there over time from 2000 to
A He retired somewhere in mid-2000, I don't	¹³ 2007, would you say that you spent roughly the same
14 know exactly.	amount of your time on egg products in the early
¹⁵ Q How much when you were purchasing manager	period as you did in the late period?
in 2000 let me just I'm going to go forward for	A Depends. Egg was a decent material for us,
¹⁷ a second.	and about one-third, I'll say that, for some group.
¹⁸ A Okay.	Q When you say it was a decent material, what
Q After you were purchasing manager in 2000,	do you mean?
when did you get your next position?	A Means it's important material for us.
21 A I was always purchasing manager, they call	21 Especially after we acquired Hellmann's.
me. We had changes in title, so some of the title	²² Q And when was that?
we've used: Group purchasing managers. Supply	A Approximately 2000.
II	
managers. So Did there I'm sorry, I didn't want to cut	 Q What was the significance of that for someone buying egg products?
Did there Thi Sorry, I didn't want to cut	Someone buying egg products:
35	37
¹ you off.	A Egg is a very important ingredient for
² A Yeah. So those were my titles for fairly	² Hellmann's.
³ long time.	³ Q And you're referring to the mayonnaise?
Q So from 2000 I think we said in 2007	⁴ A Hellmann mayonnaise.
5 Mr. Woods took over for you as egg buyer, correct?	5 Q Any other Hellmann products that you're
6 A Correct.	⁶ referring to or just the mayonnaise?
 Q All right. Between 2000 and 2007, was your 	7 A Mayonnaise is what we acquired when we
8 title always either purchasing manager or group	8 acquired Best Food.
title always either purchasing manager or group	acquired best rood.
purchasing manager:	Q When you say what? A We acquired a company by the name of Best
A Or supply manager.	A We acquired a company by the name of best
Q Of Supply manager?	F0005 III 2000.
A Correct.	And Dest 1 dous owned the Heilmann's name:
Q One of those titles?	13 A Yes.
A Correct.	Q Prior to that time, did Unilever have a
Q Okay. During that period from 2000 to 2007,	mayonnaise product?
during that entire period, was one of your	16 A No.
responsibilities egg and egg product purchases?	Q Prior to 2000, did Unilever buy egg
¹⁸ A Egg products.	products?
¹⁹ Q But that was one of your responsibilities	¹⁹ A Yes.
throughout the period from 2000 to 2007?	Q For what product for what end products?
A Correct.	A Ice cream. Pasta sauce. Dressing. Pasta.
²² Q And what portion of your job consisted of	Q But mayonnaise was a large item?
purchasing egg products as distinguished from the	A Correct.
other things that you purchased?	Q You mentioned that, when I asked you about
²⁵ A You're asking in terms of number?	eggs or egg products, you just focused on egg
7. Tours downing in terms of humber.	-990 0. 099 p. 000000, you just 1000000 011 099

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11 (Pages 38 to 41)

40 38 products. Does -- during your period 2000 to 2007, A To the best of my knowledge, we have not bought any shell eggs. did Conopco also buy shell eggs? A No. MR. GREENE: I'll mark as Daga Exhibit -- I MR. GREENE: I'm going to ask the court don't know if we should say 1 or 2 at this point. reporter to mark as Daga Exhibit 1 the Second Why don't we, just to avoid confusion on the Amended Complaint and Demand for Jury Trial. record, we'll call it Daga Exhibit 2, but the (Second Amended Complaint and Demand for exhibits should start with number 2. Jury Trial (later withdrawn) marked as Daga MR. MURRAY: All right. Exhibit 1, as of this date.) MR. GREENE: I'm going to show you Daga 10 10 MR. MURRAY: You know, this document was Exhibit No. 2. 11 11 filed under seal because it was confidential (Defendants' Notice of Deposition to 12 information in it related to other companies Plaintiff Conopco, Inc. Pursuant to Fed. R. 13 Civ. P. 30(b)(6) marked as Daga Exhibit 2, as besides your company, and this is an unredacted 14 version. of this date.) 15 15 MR. GREENE: Well, do you object to A (Reviews.) introducing? We're under the protective order Q Mr. Daga, have you seen Exhibit 2 before? 17 here. We would have had --MR. GREENE: This is -- just for the record, 18 MR. MURRAY: Yeah, but I'm not sure that the this is Defendants' Notice of Deposition to 19 protective order covers showing a document like Plaintiff Conopco, Inc. Pursuant to Federal Rule 20 20 this with other companies' information to this of Civil Procedure 30(b)(6). 21 21 witness. It's not my issue, but I'm just raising A The document sound familiar to me. 22 22 that. Q And you'll see that there is an exhibit with 23 BY MR. GREENE: 23 a list of topics that begins four or five pages in. 24 Q All right. Well, I'm going to read -- your 24 Do you see that? 25 counsel is concerned about the fact that this is filed A Correct. 41 under seal. Q It starts with Definitions and then the MR. MURRAY: I'm pointing it out to you, topics themselves start on page 4 of the exhibit. Do you're the one that would need to have the you see that? A Correct. concern. BY MR. GREENE: Q Okay. And you are the -- you understand Q So, I'm going to withdraw the exhibit. I'm that you are the person that Conopco has identified to going to represent to you -- and your counsel will testify on behalf of Conopco as to these topics, have the document -- this is the Second Amended correct? A Not all of them. Complaint and Demand for Jury Trial of a group of plaintiffs that includes Conopco, Inc. Okay? Q Are there topics that you are not -- that 11 11 It's dated February 22, 2013, and I'm going somebody else has been appointed to --12 12 to read Paragraph 100 into the record, which is just MR. MURRAY: Yeah, we're going to, we're 13 13 going to have Mr. Langan talk about, I think, 13, 14 14 Paragraph 100 on page 40 of the Second 16 and 30, which are animal welfare issues. 15 15 Amended Complaint and Demand for Jury Trial reads: MR. GREENE: Okay. Was that previously 16 16 Conopco purchases primarily egg products and, to a covered in correspondence or is that --17 17 MR. MURRAY: I'm not sure if it was. limited extent, shell eggs for incorporation into food 18 18 products. MR. GREENE: So Mr. Langan is covering 13, 19 19 Mr. Daga, does Conopco purchase shell eggs 16 and 19? 20 for incorporation into food products? MR. MURRAY: 30. 21 A I don't recall that we have bought any shell MR. GREENE: I'm sorry. 13, 16 and 30? 22 MR. MURRAY: Yes. And he'll be here on eggs. 23 23 Q So, to the best of your knowledge, the 24 You're free to ask him questions, but he has representation that Conopco purchased shell eggs for incorporation into food products is incorrect? limited knowledge about.

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12 (Pages 42 to 45)

	12 (1 4805 12 05 10)
42	44
¹ MR. GREENE: All right.	¹ Q Who else?
MR. MURRAY: Mr. Langan is the person who	A Mr. Peter Goggi. G-o-g-g-i.
would be that would have knowledge.	Q When did he begin to supervise you?
4 MR. GREENE: You know, obviously I'll state	4 A After Mr. Connors left.
5 my concern about being notified about this at	5 Q When was that?
this stage if there was no prior correspondence,	⁶ A Somewhere around mid-2000.
⁷ but we'll go on.	⁷ Q Mid?
⁸ Q You are	8 A Mid-2000.
9 MR. MURRAY: It's not a problem. I don't	⁹ Q Mid the year 2000?
see how it's a problem at all.	A Correct. So I'll say between 2004/'5, I
¹¹ MR. GREENE: All right.	don't know approximately what year or month.
12 BY MR. GREENE:	Q Okay. So approximately 2004 or 2005?
Q Let's you are being identified you are	A Correct.
the corporate representative for the other topics,	Q Okay. Other than Mr. Connors during that
¹⁵ correct?	earlier period and Mr. Goggi during the later period,
¹⁶ A For other than 13, 16 and 30.	did anyone else supervise you?
Q Right. So for number 7, for example, when	A No.
the topic says: From 1999 to the present, the type of	Q Are you aware that, that Conopco has filed a
eggs, specialty eggs, and egg products Conopco	lawsuit against a number of entities, including United
purchased or otherwise acquired, including but limited	Egg Producers and a number of egg producers?
to the following, you're the corporate representative	21 A Yes.
for that topic, correct?	Q Are you aware of that lawsuit?
²³ A Yes.	A Yes.
Q Okay. And it's your testimony as corporate	Q What's your understanding of the allegations
25 representative that Conopco did not purchase shell	in that lawsuit?
43	45
¹ eggs?	A It's in the complaint filed.
² A Yes.	² Q Right. Do you have an understanding of the
³ Q Can you tell me when you were either the	³ allegations?
⁴ purchasing manager or group purchasing manager	A I have somewhat understanding of the
5 responsible for egg products from 2000 to 2007, did	5 allegation.
⁶ you have anybody working with you in that role?	⁶ Q What is your understanding?
7 A For the period of time I had assistant.	A My understanding is that there was a first
8 Q Who was the assistant?	8 made to string the supply of eggs.
⁹ A Her name was is Lisa Toriello.	9 (Whereupon, request to repeat.)
¹⁰ Q Can you spell that?	THE WITNESS: Sorry.
A T-o-r-e-i-l-l-o. For a very brief period.	A My understanding was that there was a first
¹² Q Do you know when that was?	to cut down the supply of eggs with the intent that
A It was towards the end.	price will increase.
¹⁴ Q "Towards the end" meaning towards 2007?	Q Have you talked to anyone at Conopco and
¹⁵ A Correct.	by Conopco I mean any affiliate or subsidiary
¹⁶ Q She was your assistant?	included about this lawsuit?
¹⁷ A She was my assistant.	MR. MURRAY: And okay, you can answer
¹⁸ Q Did anybody else work with you in connection	¹⁸ that.
with egg products purchasing during that period 2000	A Not other than the people who I mentioned
²⁰ to 2007?	²⁰ earlier.
A I don't recall anybody else who worked for	²¹ Q The people you mentioned that you
²² me.	prepared for the deposition and I think you indicated
²³ Q Did anyone supervise you during that period	you spoke to four individuals?
other than Mr. Connors?	A Correct.
25 A Yes.	Q Okay. And you mentioned that you talked to
II	a chaji i na jeu mondonou mat jeu tamou to

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13 (Pages 46 to 49)

	10 (1 4865 10 10 17)
46	48
¹ Mr. Murray?	¹ MR. MURRAY: Objection, asked and answered.
² A Correct.	² A I don't know.
³ Q Okay. Other than those individuals in	³ Q Do you recall talking to anybody about the
⁴ preparing for your deposition, and other than	⁴ case in 2013?
Mr. Murray, have you talked to anybody about this	⁵ MR. MURRAY: Objection, asked and answered.
6 lawsuit?	⁶ A Outside the people I mentioned.
⁷ A No.	⁷ Q You've mentioned the four people you spoke
⁸ Q When the lawsuit was commenced in 2010, were	8 to and Mr. Murray, correct?
you made aware of the lawsuit before it was filed?	⁹ A Correct.
A I was I was told to retain all the	Q Okay. Do you have any reason to believe
documents in my file and folders in that connection.	that you spoke to any of those individuals prior to
I was told to make sure that we have good retention of	¹² 2014?
the document I was in possession in my electronic	A I don't recall.
¹⁴ folders.	Q But did you speak to any of them prior to
¹⁵ Q Okay. Other than being told to preserve	¹⁵ 2013?
documents, did anyone talk to you about this lawsuit	A About this case or about any other matter?
before it was filed in 2010?	Q About this case.
¹⁸ A I don't recall anybody had talked to me	A I had no reason, so I don't recall I had
¹⁹ about lawsuit.	spoken to them about this case.
²⁰ Q Do you recall when the preservation notice	Q Well, I'll ask the question as to 2013.
was sent to you?	As you sit here today, do you recall
²² A Various times.	speaking with anybody at Conopco about this case prior
²³ Q The first time?	²³ to 2013?
²⁴ A Regularly. I don't recall the first time,	A Outside those people, including my in-house
but we have internal retention policy, so we were	²⁵ legal counsel.
47	49
1 advised since I was ear huver to make sure that all my	O Do you believe you spoke to those people
advised since I was egg buyer to make sure that an my	Bo you believe you spoke to those people,
folders, electronic mes are present.	litat is, those four people of in-house counsel before
 Q Do you know if you received the preservation notice before or after the lawsuit was filed? 	2013:
notice before of after the lawsuit was filed:	A Only III-llouse counsel.
A Tuoli tiecali.	 Q Only in-house counsel? A Correct.
 Q Would it be fair to say that apart from assisting with document collection and preservation, 	A Correct.
assisting with document conceitor and preservation,	Chay. And when do you believe you spoke to
8 you didn't speak to anybody about this lawsuit prior 9 to 2014?	in-nouse counsel about the case:
10 20 14 !	 A When I was getting the notice of retention of records, I have asked about the
A Other than murviduals i had mentioned	of records, i have asked about the
earlier.	WIK. WOKKAT. DOITT tell fill arrythling you
when did you speak to those individuals:	talked about. A And they've asked me to retain the document.
A The last time I spoke to them was yesterday.	_
 Q Okay. My question was: Apart from document preservation and collection, did you speak with 	Q Apart from document preservation and collection, and any conversations you had with counsel
anybody at Conopco about this lawsuit prior to 2014?	about document preservation and collection, have you
¹⁷ A I don't recall.	talked to anybody about this case prior to 2013?
¹⁸ Q To the best of your recollection the answer	18 MR. MURRAY: Objection. Don't tell him
is no?	anything you talked about with in-house counsel.
²⁰ A No.	MR. GREENE: It's a yes, I think it's a
A NO.	WIN. GIVELINE. It's a yes, I tillik it's a
MR. MURRAY: Objection, asked and answered.	yes-or-no question.
A Tuolitietali.	A Tuon tresum
 Q Was there anything that would refresh your recollection about whether you spoke to anyone prior 	Q Who are the people that you would withdrawn.
recollection about whether you spoke to anyone phor	withdrawn.
to this year?	Were there people at Conopco who you would

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14 (Pages 50 to 53)

		1+ (1 ages 30 to 33)
	50	52
1	regularly communicate with about egg product	¹ A Correct.
2	purchasing?	² Q Okay. So what are those people called?
3	A Various functions, various people in our	What position would those people be?
4	organization.	⁴ A So, I told you marketing. The factory
5	Q Who are the people that you would	⁵ people. Research and development.
6	communicate with about egg product purchasing?	⁶ Q What are what is what is research and
7	MR. MURRAY: Objection, time period.	development in the context of Hellmann's Mayonnaise?
8	MR. GREENE: Well	8 A These people they develop finished product.
9	MR. MURRAY: It's broad.	⁹ They make the developed finished product. So egg is
10	MR. GREENE: Yeah.	an ingredient in this finished product, so they are my
11	Q Let's talk about categories of people.	business partner.
12	As an egg products buyer, who at who at	Q Research and development people associated
13	the company would you need to talk to in order to	with Hellmann's are the ones that develop the finished
14	understand what it was you were buying?	product, correct?
15	A Many internal functions.	¹⁵ A They play a role.
16	Q Okay. And what are those internal	Q Okay. Are they and who during this
17	functions?	period 2000 to 2007, who are these people, who were
18	A Purchasing. Factory. Category.	these research and development people?
19	Q And when you say purchasing, who are the	¹⁹ A Research and development people.
20	is that different than your unit?	Q Can you give me names of people in that
21	A No, I'm part of purchasing, so my unit, my	²¹ position?
22	immediate supervisor.	A I don't recall their names.
23	Q Let's just let's take an example, maybe	Q Okay. Let me give you names and see if they
24	that will help.	ring a bell. Don Hamm?
25	You said that once Hellmann's was acquired,	²⁵ A Sounds familiar.
	51	53
1		1 O But you're not lit descrit you're not
2	one of your responsibilities was to buy egg products	But you're not it doesn't you're not
3	to be used in mayonnaise; is that correct? A Yes.	Suie:
4		A I ve worked with Don Hamin.
5	Q Okay. So were there people associated with	un what capacity did you work with wit. Hamilit?
6	Hellmann's mayonnaise that you would talk to about the	 A Research and development. Q So he's a research and development person?
7	egg products you were going to be buying? A Category people.	 Q So he's a research and development person? A Correct.
8	Q They're called category people?	8 Q And did he work in connection with
9		
10	A Correct. Q And when you say "category people," what	9 mayonnaise?
11	kind of people are you referring to?	Q Okay. Do you know what his position was?
12	A Category people, Hellmann category people.	A I don't recall exact title.
13	Q And what are Hellmann category people, to	13 Q What kind of background, to your
14	your understanding what is their job?	understanding, what kind of background or training do
15	A Marketing.	the research and development people have?
16	Q What about the people, are there people at	A Not too sure, it's very specific, it varies.
17	Unilever who are responsible for the production of the	Q Do they have technical background?
18	mayonnaise?	A They probably do. 18 A They probably do.
19	A Yes.	19 Q Are there sort of technical tests that are
20	Q Okay. So someone has to figure out all the	Are there sort of technical tests that are
21	ingredients that go into the mayonnaise, correct?	involved in being in research and development:
22	A Correct.	A Yes. Q Okay. I assume these products have to be
23	Q And those people work with you to help	23 tested for various reasons?
24	identify the egg products that are to be used to make	tested for various reasons?
25	the mayonnaise?	Q What about Mr. Tom Merolla?
II	no mayorinaise:	Windt about Wil. Form Wichola:

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15 (Pages 54 to 57)

54 56 Inc., correct? Q What is -- what was his position? A Correct. A Research and development. Q And that's your -- that was your testimony Q Okay. And were both Mr. Hamm and earlier today as well, correct? A Correct. Mr. Merolla involved with particular products? Q Okay. Then there's a whole -- a big list of A Mayonnaise. affiliates identified under number 3. Do you see Q Mayonnaise. Is mayonnaise the largest -withdrawn. Is mayonnaise the largest single client for A Yes, I do. 10 egg product purchases at Unilever? Okay. Now, to your knowledge, do any of the 11 11 affiliates listed under number 3 purchase eggs or egg A Yes. 12 12 Q What portion of all egg product purchases go products? 13 13 to -- go into mayonnaise? A Conopco is the entity who bought eggs. 14 A I'm guessing greater than 75 percent. 14 Q Conopco, Inc.? 15 15 MR. GREENE: I'm going to show you what's A Conopco, Inc. 16 16 going to be marked as Daga Exhibit 3. Q To your knowledge, did any entity affiliated 17 17 (Direct Action Plaintiff Conopco, Inc.'s with Conopco, other than Conopco, Inc., ever buy eggs 18 18 Statement of Affiliates marked as Daga Exhibit or egg products? 19 19 3, as of this date.) A So Ben & Jerry is one company which is not 20 20 BY MR. GREENE: subsidiary of Conopco. They had bought eggs, but we 21 21 Q Mr. Daga, if you look at Exhibit No. 2, the had proxy from Ben & Jerry that I, who also was egg 22 22 30(b)(6) deposition, the last page. Just look at buyer, could buy on behalf of Ben & Jerry. 23 23 Exhibit 2 for a moment. Q Okay. So let me, I want to understand. 24 You'll see that Topics 32 and 33 concern 24 When you buy -- when you were buying the egg 25 25 corporate structure and affiliates. Do you see that? products for Hellmann's Mayonnaise. 55 57 A What page number? Uh-hum. Q Page 14. Directing your attention to number Q What was the entity that was actually buying 32 and 33. the egg products? (Reviews.) Okay. A Conopco. Q Are you prepared to testify on those topics Q Conopco, Inc. Okay. on behalf of Conopco? And that's -- was that true for all the A Yes. mayonnaise-related purchases? A Correct. Q All right. Let's take a look at Daga Exhibit 3. Q All right. No other entity or affiliate of 10 You'll see that this is a -- Daga Exhibit 3 Conopco was buying egg products for mayonnaise? 11 11 is Docket No. 503 in the docket of the case filed May A To the best of my knowledge. 12 12 6, 2011. It's Direct Action Plaintiff Conopco's Q Now, explain to me, in the case of Ben & 13 13 Statement of Affiliates. Three-page document. Do you Jerry's, when Ben & Jerry's was buying egg products, 14 14 see that? what was the entity that was buying the egg products? 15 15 A Ben & Jerry's. 16 16 Q Okay. Is that a separate corporation? Q And this is a -- it's signed by Mr. Blechman 17 17 A To the best of knowledge, yes, separate of Kenny Nachwalter. Have you met Mr. Blechman 18 18 before? corporation. 19 19 Q Okay. And what is its relationship, then, 20 Q Okay. Do you understand that Mr. Blechman to Conopco, Inc.? 21 is a colleague of Mr. Murray's? A Sister company. A Yes. Q Sister company? 23 23 Q Okay. And number 2 in this Statement of (Witness nods.) 24 Affiliates says that Conopco, Inc. states that it is a So what does that mean to you? It means they had most probably same parent. wholly-owned subsidiary of Unilever United States,

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16 (Pages 58 to 61)

58 60 Conopco and Ben & Jerry they had same parent company. A Egg product. Q Parent company meaning Unilever United Q Okay. And, again, I should ask the shell States, Inc.? egg question. To your knowledge, did Ben & Jerry's A That's what I think. buy shell eaas? Q So Ben & Jerry's is a separate company from A No. Conopco, Inc., they purchased egg products for Ben & Q Other than Ben & Jerry's and Conopco, Inc., Jerry's? were there any other Conopco-related companies that A They have authorized Conopco employee to buy purchased egg products? eggs for Ben & Jerry. A Talking U.S., outside U.S. or? 10 Q Ben & Jerry's would be the buyer on the Q Let's focus first on the United States. 11 contract? Any other Conopco-related company that 12 12 A Correct. purchased egg products or eggs in the United States. 13 13 Q All right. But you're saying, Ben & Jerry's A To the best of my knowledge, these were the 14 authorized Conopco and you to do the buying on behalf 14 only two operating company who have bought eggs. 15 15 of Ben & Jerry's? Q Okay. As you look at the list in number 3, 16 16 A Correct. then, other than Ben & Jerry's -- and I say, I should 17 17 Q So at least in that particular instance when say number 3 to be clear for the record. 18 you were working -- when you were negotiating When you look at the list in item number 3 19 19 purchases for Ben & Jerry's, it was for Ben & Jerry's within Daga Exhibit 3, the Conopco Statement of 20 as the ultimate buyer, correct? Affiliates, other than Ben & Jerry's, did any of these 21 A Correct. other companies listed buy egg products at any time? 22 Q Okay. And, to your knowledge, is Ben & 22 MR. MURRAY: Objection, overly broad. 23 Jerry's a plaintiff in this lawsuit? 23 A I don't know. 24 A To the best of my knowledge they -- I'm not 24 Q You have no knowledge of any company other 25 than Ben & Jerry's purchasing egg products? sure about answer to this question. 59 61 Q Okay. Are you aware of any assignment of Conopco is a holding company. claims from Ben & Jerry's to Conopco? Q I'm sorry, I didn't --A Actually yes, I'm aware of that. A Conopco is the company who have bought eggs. Q Have you seen the assignment? Q Right. I'm trying to figure out who the A I was given the document very recently so actual purchaser is. I've seen the assignment. I think you said in connection with the Q To your knowledge, was that document mayonnaise the purchaser of the eggs is Conopco, Inc.? produced in the litigation? A Correct. A It was produced --Q Conopco, Inc. would be the company that 10 MR. MURRAY: Objection. signs the contract with the supplier, correct? 11 11 A -- in litigation. A Correct. 12 12 MR. MURRAY: It calls for a legal Q Okay. And I think you've said that Ben & 13 13 conclusion. You can answer, if you know. Jerry's also buy egg products? 14 14 A Yes. To the best of my knowledge, yes. A Correct. 15 15 Q You've seen the assignment document? Q Okay. And I'm asking, when looking at the 16 16 A I have seen, I recall I've seen a document list in number 3, on Daga Exhibit 3, if any company 17 17 listed there other than Ben & Jerry's purchased egg which resembles to what you're talking assignment 18 18 products. document. 19 19 A These were all affiliates, by the way, so Q From Ben & Jerry's to Conopco? 20 20 A From various Unilever companies including I'm not too familiar with our internal structure --21 21 Ben & Jerry. (Whereupon, request to repeat.) 22 Q Well, you said Ben & Jerry's was an egg A These were affiliates of Conopco and 23 product buyer, correct? Unilever United States, so matter like this here, I'm 24 24 A Ben & Jerry do buy eggs. not an expert to tell you the relation, say, between 25 Unilever, Best Food and Conopco, I'm not privileged to Q Okay.

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17 (Pages 62 to 65)

		17 (1 uges 02 to 03)
	62	64
that information internally.	1	egg product buyers in the Corlopco family other than
² Q You were the egg products buyer,	correct? 2	Conopco, Inc. and Ben & Jerry's, correct?
A I'm the egg product buyer.	3	A Correct.
⁴ Q To your knowledge, were there an	y egg	Q All right.
5 products purchased at Conopco or any af	filiate that 5	MR. MURRAY: If you're switching gears, why
⁶ you were involved with?	6	don't we take a break for 10 minutes.
A I was responsible for all egg pro	ducts 7	MR. GREENE: Very good, let's take a break.
bought in U.S. for Unilever. Period.	8	THE VIDEOGRAPHER: The time is 10:11 a.m.
⁹ Q And you've spoken to Mr. Woods a	about the	and we're going off the record.
period after you left, correct?	10	(Whereupon, off the record.)
11 A That's correct.	11	·
Q All right. And I'm just trying to find	Out 12	
who the egg product buyers are. We've e		
Conopco, Inc. is one.	14	
Corropco, inc. is one.	15	DI WIN. OILLINE.
A Oli-liulii.		Q Okay, Mr. Daga, you understand you're still
Q vve ve established you ve testille	ed that	under datin:
Dell & Jelly S is one, confect?	18	A 165.
A Correct.		Q Okay.
Q Okay. Are there any other egg pro		MR. GREENE: I'm going to show you what will
buyers of buying egg products in the United		De marked as 4, Daga Exhibit 4.
other than Conopco, Inc. and Ben & Jerry		it is dates numbered there's a for or
A The link mentioned here, for exa	imple, 22	letters CPCEGED 82345 through 82346, and then
Lipton, that's a brand. So there's a diff	erence here 23	there are attachments that are an xls that is
that Lipton is a brand and it looks like l	Lipton is a 24	Bates numbered 82347.
²⁵ corporation as well.	25	(E-mail Exchange, Bates CPCEGED00082345 to
¹ Q Okay.	63	65 CPCEGED00082347, marked as Daga Exhibit 4, as
² A So	2	of this date.)
³ Q Did you buy any egg products relate	ed to	BY MR. GREENE:
4 Lipton?	4	Q Could you please take a look at Daga
⁵ A Lipton used egg for their brands.	5	· · · · · · · · · · · · · · · · · · ·
6 Q Okay.	6	A Okay.
⁷ A But Lipton is, to the best of my kn	owledge.	Q And emails go backwards, the earliest is the
8 affiliate of Conopco.	8	
⁹ Q Okay. Were you the person who bo	ught the	
egg products related to the Lipton brand?	10	yourself and a Carrie Champagne. Is that how you say
A Yes.	11	the name?
A les.		A Yes.
Q Okay. When you bought those egg	products,	
were you the person who entered into the c	ontracts?	Q Okay. Who is Carrie Champagne?
A 163.		A If I recall, she works for one of our
willo was the egg prod who was the	ne buyer on	divisions.
those contracts?		Q Do you know which one:
A it illeans corporation of the perso	1111	A Must have been ice cream.
Q Who was identified as the buyer? T		Q And this is and who is Mr. Steve
buyer and seller on the contract, correct?	19	Vermeulen?
²⁰ A Okay.	20	A Must be her supervisor.
²¹ Q All right. Who was the buyer?	21	Q Okay. Working in a division involved in ice
A The buyer is Conopco.	22	cream?
²³ Q And thinking about the buyer that wa	•	A Correct.
²⁴ A Okay.	24	Q Okay. And this is, in fact, an email
²⁵ Q Just to be clear. You're not aware o	f any	exchange between you and Ms. Champagne from March of

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18 (Pages 66 to 69)

66	68
¹ 2003; is that correct?	¹ A Up to one year.
² A That's what it says, so.	² Q With a single price?
³ Q Okay. Any reason to doubt that?	3 A Correct.
4 A No.	⁴ Q Okay. And you've entered into such
5 Q I represent to you this is a document	5 contracts before?
⁶ produced by Conopco.	⁶ A I may have.
⁷ A Okay.	⁷ Q What are what are the advantages of
⁸ Q All right. And you're asked questions. The	⁸ buying month to month?
9 email at the bottom of the first page says: Please	⁹ A It depends upon our market view. If we feel
10 respond to my request for a written breakdown of	that prices are coming down, then we have a shorter
purchasing spot versus longer term. Do you see that?	term duration of the fixed price.
A I do see that.	Q What if you believe the prices are going up?
¹³ Q Okay. And you responded to that with the	A If we believe prices are going up, then we
email dated Friday, March 21, 2003, at 8:02 p.m. Do	do opposite to that, we do greater than 30 or 60 days.
15 you see that?	Q Okay. Now, item number 1 in your email in
16 A I see that.	Daga Exhibit 4, the Friday, March 21, 2003, at 8:02
MR. GREENE: I'll note for the record you	p.m., says: After staying depressed for last couple
work late.	of years, prices of egg white are finally going up and
¹⁹ Q The it starts: The following are the	inching toward normal.
reasons why we should not go long-term contract and	Was it your understanding that the prices of
stay on month to month for liquid egg yolk. I want to	egg white had been depressed for a couple of years up
understand a few of the concepts here.	to this point?
²³ A Okay.	A I don't recall now, but if that's what
²⁴ Q What is liquid egg yolk?	e-mail says, then that's what I felt.
A So egg, obviously, has two components, white	Q Now, this says "prices of egg white," why do
and yolk, so this component is talking about the yolk part of it.	you refer to prices of egg white in particular? A Because there are two components in the egg,
³ Q And is the yolk part of it the part that	white and yolk. So when the white prices goes up, all
would be used in the ice cream business?	things being equal, yolk will come down and vice
5 A Correct.	5 versa.
⁶ Q And it says, it compares going long-term	⁶ Q Why is that?
7 contract and staying month to month. What does that	A Because there's a relation. Obviously, if
mean? What does month to month mean?	8 the egg cost one dollar, of which 70 cents is the
⁹ A It means buy 30 or 60 days at one time.	white and 30 cents is yolk, the 70 become 80, then the
¹⁰ Q And what does long-term contract mean?	yolk becomes 20, as long as the shell egg is one
A Greater than 30 or 60 days.	dollar still. So the eggs reverse relation between
Q Do you sometimes buy egg products on	white and yolk, again, all things being equal.
long-term contract?	Q So the prices of white white egg products
¹⁴ A Sometimes we do.	and yolk egg products don't move up and down together?
¹⁵ Q How long do the contracts go?	¹⁵ A Sometimes they don't.
16 A It varies.	16 Q Okay.
¹⁷ Q What's what's a typical long-term	A Sometimes they do.
18 contract?	Q Number 2: Due to high prices for egg yolk
19 A Up to one year.	during last couple of years, many end users have
²⁰ Q Okay. And are there contracts that are	changed formula and are switching from yolk to egg
longer than that?	white and/or whole egg. Do you see that?
A Fixed price, no. But, you know, supply	A I do see that.
agreement without fixed price with the mechanics, yes.	Q What does that mean?
Q So a fixed-price contract can go up to a	A It means if price of an ingredient goes up,
²⁵ year?	you look for alternate substitute. Don't use it.

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19 (Pages 70 to 73)

		
	70	72
1	That's what it's saying.	¹ negotiation?
2	Q And was your experience during this period	A Not necessarily. What if the price becomes
3	that some egg product purchasers responded to higher	90 cents when we did this, then that becomes a bad
4	prices in egg yolk by switching away from egg yolk; is	4 negotiation.
5	that correct?	Description 5 Q But that would be with the benefit of
6	A That's what it says, so that's what I may	⁶ hindsight, correct?
7	have felt back then.	7 A Correct.
8	Q In fact, based on this document it is what	8 Q Right.
9	you felt, correct?	⁹ A So you're measuring back.
10	A Back then, yes.	Q Yeah. At the moment that you're
11	Q Okay. Number 3 says: The risk premium for	negotiating, if you can get your supplier to reduce
12	forward contracting is quite high, parentheses, nearly	the risk premium at the time you're negotiating,
13	9 cents a pound above spot prices, end parentheses.	that's good negotiating?
14	What does that mean?	¹⁴ A Not necessarily.
15	A It means if current price is one dollar,	15 Q No?
16	it's important for you to take longer term coverage as	A There's no good or bad, only if you look
17	per this note it says you have to pay \$1.09.	back.
18	Q You'd have to pay \$1.09 for what kind of	Q But if you've got if you negotiate for a
19	contract?	lower price, that would be good negotiating?
20	A All going greater than 30 and 60 days.	A Again, you have to look back. If you're
21	Q Why would you have to pay more money for the	paying spot is a dollar
22	same product merely for taking a longer period of	²² Q Yeah.
23	time?	A as a reference.
24	A You are paying a premium for uncertainty.	Q Yeah.
25	Q So when you're negotiating a contract I	A And supply is charging you a dollar-nine in
	71	73
1	assume one of your reaponabilities was to pogetists	this case here for forward, that may or may not be a
2	assume one of your responsibilities was to negotiate egg products contracts, correct?	good negotiation, it depends upon when you get there
3	A Correct.	what is the price of spot then.
4	Q Okay. And one of the ways in which you	4 Q All right. But what you're talking about
5	could do a good job for your company Conopco is to	now is looking back using facts that could not have
6	negotiate a lower price, correct?	been available to you when you actually made the deal,
7	A Correct.	ocorrect?
8	Q And another way that you could do a good job	8 A Correct.
9	for Conopco would be to negotiate a longer forward	9 Q And all you can do as the buyer is make the
10	contract, correct?	best deal you can based on the facts that are then
11	A Not necessarily.	the known?
12	Q Well, if you you're saying a if the	12 A Correct.
13	spot price is a dollar, and you're able to get a	Q And your objective is to pay the lowest
14	forward contract for a dollar, that would be good	price at the time, correct?
15	negotiating, correct?	15 A At the time.
16	A Not necessarily.	¹⁶ Q At the time.
17	Q Well, maybe I don't understand. It says:	A At the time at today's.
18	The risk premium forward contracting is quite high,	18 Q Right.
19	nearly 9 cents a pound above spot. Doesn't that say	¹⁹ A Today's.
20	that you would expect to have to pay a dollar-nine	Q Today's prices. Or if you're going to
21	instead of one dollar?	forward contract, to pay as low a premium as possible
22	A That's what I have to pay today for future	for doing so?
23	delivery.	A If I think that the market is going up, then
24	Q Right. So if by negotiation you were able	l would pay higher premium. If I feel market is going
25	to avoid that risk premium, that would be good	down, I will not pay premium.
	and the state of t	,

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20 (Pages 74 to 77)

	= (1 ages / 1 to / /)
74	76
¹ Q Okay.	¹ A Okay.
MR. GREENE: This would be number 5.	Q In June this is June 21st, 2002. The
Daga Exhibit 5 we still have counsel on	first bullet, about three sentences in: The current
the phone, correct?	three years plus of severely depressed markets is
⁵ MR. MOODY: Yes. Thank you.	unprecedented in over 40 years of UB history. What is
6 MR. GREENE: All right. I'll keep reading	6 UB?
out the Bates numbers then. CPCEGED00071647.	7 A That would refer to Urner Barry.
8 One-page exhibit.	⁸ Q And what is Urner Barry?
⁹ (Urner Barry Market Update, Bates	⁹ A Urner Barry is an external publication, egg
¹⁰ CPCEGED00071647, marked as Daga Exhibit 5, as	narket publication.
of this date.)	¹¹ Q And as an egg buyer what do you use Urner
BY MR. GREENE:	Barry for?
¹³ Q Take a moment to look at that, please.	A They give you market news.
¹⁴ A (Reviews.)	¹⁴ Q Do they also give you market quotes?
¹⁵ Q This is a document dated June 21st, 2002, at	¹⁵ A They give you market quotes.
the top of the page reads Urner Barry Market Update.	Q And so what is that in the current three
Do you see that?	the current three-plus years of severely depressed
¹⁸ A I do.	markets is unprecedented in over 40 years of Urner
¹⁹ Q Do you recognize the document?	Barry history. Was it your point there that the
A I don't recall, but if it came from my	previous three years prices of eggs had been very low?
archive, my email, then it must have come from my	A That's what this one says, so that's what I
²² archive.	may have taught back then.
Q Do you did you prepare documents/updates	Q Okay. In the next bullet, number 2, it
similar to this one at the time of June of 2002?	said: This extended period of low prices have caused
A As part of my job description, I'm supposed	severe financial losses for the majority of users,
75 to provide market update to internal stakeholders.	
² Q And Exhibit 5 would be an example of the	² market-based shell eggs.
kind of market update you would provide?	³ Was that your belief at the time that the
4 A Sounds sounds familiar.	extended period of low prices caused severe financial
Q Okay. And you believe you wrote this	losses for the majority of producers?
6 document?	⁶ A If that's what I wrote, then that's what I
⁷ A I may have.	⁷ had believed back then.
8 Q As you look at it, do you is there any	8 Q And, as you sit here today, is that your
guestion in your mind that you wrote it?	⁹ belief as well?
¹⁰ A I may have written this.	A Back then, so that's what I felt back then.
Q All right. Is are there any other people	11 Q Yes.
that you can think of that would have written this?	A So I written what I felt.
A As an egg buyer, then this is the job of egg	Q That's what you felt back then?
buyer to write market updates, so.	A Back then, yes.
Q And you were the egg buyer?	Q Now, the last part of that bullet says:
¹⁶ A I was egg buyer.	Particularly those whose focus is primarily
17 Q All right.	market-based shell eggs. Why did you distinguish
¹⁸ A For that period.	those whose focus is primarily market-based shell
Q Okay. So I want to direct your attention	19 eggs?
and you're free, when I give you a document, to read	A I don't recall that particular comment.
as much of the document as you want. I'll be focusing	· ·
on particular portions, but that doesn't mean you	there a difference between egg producers who produce
can't look at other portions.	primarily market-based shell eggs and those that
²⁴ A Okay.	produced egg products?
²⁵ Q Do you understand?	A They're all egg producers, so

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21 (Pages 78 to 81)

78 80 producers who initially signed up complied. Do you -- in terms of producers they're producing see that? Α A I do. eggs. Q But here you're referring to financial Q So it was your understanding in the middle losses and you refer to those whose focus is primarily of 2002 that the United Egg Producers Animal Welfare market-based shell eggs. Did you have some idea that Program would reduce the supply of layers at least in the producers that focused on shell eggs had a existing facilities, correct? different experience from those that produced egg A That's what I wrote back then, so that's products? what I felt is what I wrote here. 10 10 A I do not recall. I can't tell you what I Q Okay. So you understood from, at least from 11 11 meant by this back then. mid-2002, that the UEP Annual Welfare Program would 12 12 Q If you'd go to the fifth bullet, you write: have an impact on supply? 13 13 The USDA in April announced a \$10 million bonus buy A That's what I felt back then, so. 14 14 program for frozen and dried egg products to assist Q And you wrote the last sentence: Even a 15 15 the egg industry. Do you recall that bonus buy partial -- even a partial compliance will have a 16 16 significant impact on the U.S. egg supply over the program? 17 17 A I don't recall now, but I may have picked it next two years. Do you see that? 18 18 up from some market knowledge, market intelligence. A I do. 19 19 Q And it goes on to say: These purchases Q And that was your belief as well? 20 20 which are currently in process will also serve to A That was my belief back then. 21 21 MR. GREENE: I show you what's marked as reduce some of the short-term oversupply. What did 22 22 you mean by oversupply? Daga Exhibit 6. 23 A More than what you use. 23 (Email Exchange, Bates CPCEGED00085673 to 24 Q So in the context of 2002 what, what was it 24 CPCEGED00085676, marked as Daga Exhibit 6, as 25 25 about the situation at that time that constituted an of this date.) 81 oversupply in your mind? BY MR. GREENE: A So based upon what I wrote, if I supply --Q Can you take a look at Exhibit 6, please. if they are using hundred, and the supply is greater A (Reviews.) than hundred, I would call that oversupply. Q Mr. Daga, you can see at the bottom of the Q And it was your view at that time that the first page there is an email from you to Peter, is it egg market was in a state of oversupply, right? Goggi? A That's what I wrote, so that's what I have A Uh-hum. Q Okay. And who is Mr. Goggi? And this is, felt back then. the date is Tuesday, October 21, 2013. Q And the final bullet says: On April 1, 10 MR. GREENE: I'm sorry, I should read the United Egg Producers, the egg producers industry 11 11 association, announced a voluntary animal welfare Bates numbers for the record. CPCEGED00085673 12 12 program to be phased in over the next six years. Do through 85676. 13 13 Q Who is Mr. Goggi? you see that? 14 14 A I do. A He was my immediate supervisor back then. 15 15 Q Do you recall at this time learning about Q Okay. So does this help us, I think we were 16 16 the United Egg Producers Animal Welfare Program? trying to figure out before, you had Mr. Connors --17 17 A That's what I wrote, so that's what I felt A Correct. 18 18 back then. I may have heard that from market Q -- was your supervisor, and then Mr. Goggi? 19 19 intelligence. Correct. 20 Q And if you go down -- and, again, you're Q Okay. Does this document help you to place 21 always able to read any portion of the document you the date when Mr. Goggi became your supervisor? want -- it says, towards the bottom of the paragraph: 23 23 The first phase of the AWB guidelines would have the Q As of October 2003, he was your supervisor 24 24 effect of reducing the U.S. flock size by Mr. Goggi? approximately 20 million layers, assuming all of the A Correct.

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22 (Pages 82 to 85)

	22 (Tuges 02 to 03)
82	84
Q Okay. And you sent an email on October 21,	¹ Q In 2003.
² 2003, to Mr. Goggi, correct?	² A 2003 I believe we had one more factory,
³ A Correct.	don't know when we closed the factory, but we had one
4 Q And it included an attachment; is that	4 more factory.
5 right?	5 Q Was Kilbourn, did you say Chicago before?
6 A Looks like.	6 A Chicago we called it Kilbourn. It's on
 Q Okay. And the attachment, which is Bates 	⁷ Kilbourn Street.
8 numbers 85674 to 85676, you wrote that, correct?	8 Q Kilbourn Street in Chicago?
9 A Sounds familiar.	⁹ A In Chicago.
¹⁰ Q In October of 2003?	Q All right. And was that the largest
11 A I may have.	production facility for mayonnaise?
Q Is that your best inference from the email?	12 A Correct.
A Email says it came from me, so it has to be	Q And that was was that also then the
¹⁴ right.	largest egg product buy that you would do for any one
Q All right. And you write here what is	15 location?
the purpose of this document, this Risk Management	16 A Correct.
Proposal for Egg Pricing?	Q Okay. And can you explain to me what you
A Getting approval from my chain of command	were proposing to do for three years with respect to
¹⁹ for my budgeting strategy.	egg product purchases for Kilbourn?
Q And what was that strategy?	A So what, as per this note, what I'm
A So it says somewhere that we want to go	recommending my chain of command to go for a
let me read.	three-year contract with prices based upon feed
MR. MURRAY: Take your time and read it.	²³ market.
THE WITNESS: Uh? Yeah.	Q And when you say you're recommending a
MR. MURRAY: Take your time and read the	three-year contract with prices based on the feed
	25
83	85
¹ whole thing.	¹ market, what do you mean?
A So the email say it's from Peter Goggi to	A That means prices is going to be fixed. I
Nicky. It calls for committing a portion of Kilbourn	don't remember whether month to month or two months,
whole egg commitment for three years and pricing that	but price is going to be fixed. It depends upon how
5 portion by decoupling grain/meal costs and costing	5 the corn and soy meal market do in Chicago Board of
6 them based on CBOT. So it looks like I'm proposing to	⁶ Trade.
go with a three-year contract for the need for our	Q Okay. And let's take a look at the
⁸ Chicago factory.	8 document now.
⁹ Q Okay. Now tell me what when you say the	⁹ A Okay.
need for the Chicago factory, what is the Chicago	¹⁰ Q We'll come back.
11 factory?	11 A All right.
A Chicago factory makes Hellmann mayonnaise.	Q You provide some background here, and you
Q And do they make other labels of mayonnaise	say: Egg prices have remained depressed and well
14 as well?	below cost of production for the period 1999 to the
15 A Best Food.	first half 2003. Correct? Did I read that right?
Q And those were two separate mayonnaises?	A That's what it says
A They are both mayonnaise.	¹⁷ Q Right.
¹⁸ Q Okay.	18 A somewheres.
19 A Different brand.	¹⁹ Q And that was your understanding of market
²⁰ Q And both of them are made in Chicago?	conditions from 1999 to 2003, correct?
A Both were made in Chicago, among other	A That's what I wrote, so that's what I have
²² places.	²² felt back then.
Q Okay. And is all the mayonnaise for the	²³ Q Right. And it appears that you were
company made in Chicago?	²⁴ projecting price increases, correct?
A Now. For U.S. now.	A That's what I wrote, so that's what I

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23 (Pages 86 to 89)

88 86 projected back then. A I don't buy eggs today, I've been out of it, Q Because if you look under year 1999, 2000, so. I don't buy eggs anymore, I'm out of egg buying 2001, 2002, you'll see in the table -- again, I'm on business, so. page 85674 -- when you get to 2003, you put in Q And how long have you been out, since 2007? brackets Projected. Do you see that? Q All right. And then you explain that the A Correct. Q And in 2004 you put in brackets Projected? new procedures require increased cage space per chicken, correct? Q And your projected prices for 2003 and 2004 A Correct. 10 are higher than in 2002, correct? Q And then you put down the schedule, you show 11 11 the schedule that lays out going from 48 to 56 inches A That's what it says. 12 12 Q Right. And then you say: Following are all the way to 67 inches in 2008. Do you see that? 13 13 some of the reasons why prices will stay high and well A I do see that. 14 14 above cost of production for next 12 to 18 months. Is Q Okay. And you write that all the top major 15 15 retailers, including Kroger, Walmart, Albertsons and that correct? 16 A That's what it says. fast food chains like McDonald's, Yum Group are either 17 17 Q Yeah. And you list a number of factors why supporting the new guideline or in process of 18 18 you think prices will stay high, correct? enforcing it their vendors. Do you see that? 19 19 A Correct. A I do see that. 20 20 Q Okay. Flock size is one? Q Okay. And if you go, it says, the next 21 21 A Correct. sentence: It is estimated by the middle of 2004 80 22 22 Q Disease is one? percent of the egg farmers will be in compliance of 23 A Correct. 23 the new cage space rule. Do you see that? 24 Q And then you get the Hen Welfare Program, 24 A I do. 25 25 Q And that was your belief at the time? right? 87 89 A Okay. A That's correct. Q And this is one of the factors that you are Q All right. And then you write: The first identifying for why you expect prices to stay high? 10 square inches in increased cage space will add as A Correct. much as 7 cents a dozen to the cost of production of Q Okay. It says: Hen Welfare Program. This eggs due to increased fixed cost of building new factor is one of the main reasons behind current price cages. Do you see that? rally. Due to pressure from Animal Right Groups, the A I do. United Egg Producers in process of adopting new animal Q Okay. And you expected new cages to be husbandry guideline. Did I read that correctly? A It doesn't quite say that but obviously --A That's what it says, so. 11 11 Q Okay. And that was your understanding? it doesn't say that what you just described. 12 12 A Back then. Q Okay. Why -- why were you calling attention 13 13 Q Right. Do you have a different to the increased fixed cost to building new cages? 14 14 understanding now? A Because there's the cost of increasing the 15 15 A Now I don't, but I'm going by what I wrote 16 16 back then. Q Okay. So, though this is the -- this is --17 17 Q Right. these are market conditions you're describing as the 18 18 A So that's the reason I gave. background for your risk management proposal? 19 19 A These are market condition I'm describing Q Do you have a different understanding today 20 as to any of the material that's in here on Hen for prices to increase. 21 21 Welfare Program? Q Prices to increase. And then you -- then we 22 A It's irrelevant today. If you're going back get to the part that says Risk Management. 23 23 on 2003, so that's what I felt in 2003. 24 24 Q But today do you know any facts that are Q Risk Management: Due to continued bullish different than what you wrote in 2003? price outlook, it is time now to look into risk

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24 (Pages 90 to 93)

management tool to manage and lock in longer term prices. Do you see that? A Ido. Corn and soy meal are two main ingredients that are fed to chicken. Do you see that? A Ido. O Okay. So how is this type of contract – is there—withdrawn. Is there a name for the type of contract – is there—withdrawn. A You can call it feed-based contract. O Is it sometimes referred to as grain-based contract? A You can call it feed-based contract. O Is it sometimes referred to as grain-based contract? A Correct. A You can call it feed-based contract. O Is it sometimes referred to as grain-based contract? A Correct. A You can call it feed-based contract a risk management tool for an egg buyer when prices are expected to go up? A So you use the risk management tool to control the — control and manage the feed. Feed is the single largest cost component for the eggs. So you try to control the liggest large — biggest cost driver by managing the feed and by buying the feed, and by revious conversation on the yolk case. O So the—if you look at — and, again, you see har? A So by buying the feed feed optic and by not paying a premium what we've talked in the previous conversation on the yolk case. O So the—if you look at — and, again, you can look at any portion of the document. If you look at the final page, it asys is pounded to whole egg or own of the final page. it asys is pounded to whole egg or you do whole egg or you do whole egg or you do whole egg or you were proposing a contract of whole egg or you do whole egg or you do whole egg or you want that final page. it asys is provious conversation on the yolk case. O So the—if you look at the final page, it asys is previous conversation on the yolk case. O So the—if you look at — and, again, you can look at any portion of the document. If you have a three-year grain-based contract, is the price that you pay for whole egg contract, is the price th		
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drivers of the contract are the cost of com and the	²⁵ A Yes, I do.	drivers of the contract are the cost of corn and the

Daga, Ramesh

March 11, 2014

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and those are prices that you see on the Chicago Board of Trade? A Correct. Q All right. And so every month you can look at the Chicago Board of Trade price of corn and price of soy and figure out what you're going to be paying under the contract, correct? A Correct. A Stall do. That's only part of my requirement. I'm not buying everything on the grain-based contract. Cokay? A I still do. That's only part of my requirement. I'm not buying everything on the grain-based contract. Cokay? A Stall understand it let me see if I've got it right. A Yep. O Rey One of the components of that contract. A Correct. A Corr	¹ cost of soy, correct?	what I'm trying to figure out really since I've been
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based, correct? 4	One of the components of that contract would be to buy	¹ overall volume?
A Correct. Q Okay. There's another component you said that involves something other than whole eggs, correct? A Can I look into the sheet, the particular sheet here Q Absolutely. A Correct. Q All right. A There's volume outside the contract as well Q Correct. I understand. This wasn't all of your purchases. Correct? A Correct. Q All right. A to see? Q Whatever you'd like to read in the document. A (Reviews.) So in the formula I see that 67 percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your A Not overall volume. A Not overall volume. A Not overall volume. Q The overall volume. Q All right. A Correct. I and Covrect I understand. This wasn't all of your purchases. Correct? A Correct. A Okay. A No. Q Okay. For the whole egg component of this thre	13 million pounds of whole eggs per year on grain	A Two-thirds of the volume in the contract.
Solvet. Q Okay. There's another component you said that involves something other than whole eggs, correct? A Can I look into the sheet, the particular sheet here Q Absolutely. A Carect. Q All right. A Correct. A Okay. A No. A Correct. A Okay. A Stated on page number 2. A Okay. A Okay. A Okay. A No. A Correct. A Okay. A Okay. A Okay. A Okay. A Okay. A No. A No. A No. A No. A No	baseu, correct:	Q in the contract.
that involves something other than whole eggs, correct? A Can I look into the sheet, the particular sheet here Q Absolutely. A Correct. I understand. This wasn't all of your purchases. Correct? A Correct. A Correct. A Correct. A Covered in the contract. Q All right. A Correct. A Correct. A Correct. A Correct. I understand. This wasn't all of your purchases. Correct? A Correct. A Cor	A Correct.	A Not overall volume.
7 correct? 8 A Can I look into the sheet, the particular 9 sheet here 10 Q Absolutely. 11 A to see? 12 Q Whatever you'd like to read in the document. 13 A (Reviews.) So in the formula I see that 67 14 percent of the cost component is whole egg and 27 15 percent is yolk. 16 Q Okay. 17 A As stated on page number 2. 18 Q Okay. 19 A So the 67 percent current market is X. Soy 19 meal market is 215. Whole egg cost based upon above 20 feed cost 3945. Whole eggs 21 Q Mr. Daga, you'll either have to make a 22 decision you want the court reporter to take down your 2 A Covrect. 2 A Correct. 2 A Correct. 3 Q All right. But as to the 13 million pounds of whole egg that you were buying under this three-year grain-based contract. Okay? 4 A Okay. 5 A Okay. 6 Q Okay. 7 A Covered in the contract. 8 Q All right. 9 A Correct. 13 Q All right. But as to the 13 million pounds of whole egg that you were buying under this three-year grain-based contract. Okay? 14 Okay. 15 percent is yolk. 16 Q Okay. 17 Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. 2 Q Okay. For the whole egg component of this three-year grain-based contract, would the price that	Q Okay. There's another component you said	The overall volume of what's covered in the
A Can I look into the sheet, the particular sheet here Q Absolutely. A Correct. I understand. This wasn't all of Q Correct. I understand. This wasn't all of your purchases. Correct? A Correct. A Corre	that involves something other than whole eggs,	Contracts
sheet here Q Absolutely. A to see? Q Whatever you'd like to read in the document. A (Reviews.) So in the formula I see that 67 percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a d A There's volume outside the contract as well Q Correct. I understand. This wasn't all of your purchases. Correct? A Correct. A Okay. D Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	conect:	
Q Absolutely. A to see? Q Whatever you'd like to read in the document. A (Reviews.) So in the formula I see that 67 percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your D Ocorrect. I understand. This wasn't all of your purchases. Correct? A Correct. Q All right. But as to the 13 million pounds of whole egg that you were buying under this three-year grain-based contract. Okay? A Okay. Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year grain-based contract, would the price that	A Can I look into the sheet, the particular	Q All right.
11 A to see? 12 Q Whatever you'd like to read in the document. 13 A (Reviews.) So in the formula I see that 67 14 percent of the cost component is whole egg and 27 15 percent is yolk. 16 Q Okay. 17 A As stated on page number 2. 18 Q Okay. 19 A So the 67 percent current market is X. Soy 20 meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs 21 Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your 11 A to see? 12 your purchases. Correct? A Correct. 13 Q All right. But as to the 13 million pounds of whole egg that you were buying under this three-year grain-based contract. Okay? 16 A Okay. 17 Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. 21 Q Okay. For the whole egg component of this three-year grain-based contract, would the price that	Silect liefe	A There's volume outside the contract as well.
Q Whatever you'd like to read in the document. A (Reviews.) So in the formula I see that 67 percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your A Correct. A Okay. For whole egg that you were buying under this three-year grain-based contract. Okay? A Okay. For whole egg under that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	Q Absolutely.	
A (Reviews.) So in the formula I see that 67 percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your A Contect. Q All right. But as to the 13 million pounds of whole egg that you were buying under this three-year grain-based contract. Okay? A Okay. Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year grain-based contract, would the price that		your purchases. Correct?
percent of the cost component is whole egg and 27 percent is yolk. Q Okay. A As stated on page number 2. Q Okay. A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your percent of the cost component is whole egg and 27 three-year grain-based contract. Okay? A Okay. Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year grain-based contract, would the price that	Whatever you'd like to read in the document.	A COITECL.
percent is yolk. 15 percent is yolk. 16 Q Okay. 17 A As stated on page number 2. 18 Q Okay. 19 A So the 67 percent current market is X. Soy 20 meal market is 215. Whole egg cost based upon above 21 feed cost 3945. Whole eggs 22 Q Mr. Daga, you'll either have to make a 23 decision you want the court reporter to take down your 25 three-year grain-based contract. Okay? A Okay. 17 Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. 21 Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	A (Neviews.) 30 iii tile formula i see tilat or	All right. But as to the 15 million pounds
16 Q Okay. 17 A As stated on page number 2. 18 Q Okay. 19 A So the 67 percent current market is X. Soy 20 meal market is 215. Whole egg cost based upon above 21 feed cost 3945. Whole eggs 22 Q Mr. Daga, you'll either have to make a 23 decision you want the court reporter to take down your 26 A Okay. 27 Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? 20 A No. 21 Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	percent of the cost component is whole egg and 27	or whole egg that you were buying under this
17 A As stated on page number 2. 18 Q Okay. 19 A So the 67 percent current market is X. Soy 20 meal market is 215. Whole egg cost based upon above 21 feed cost 3945. Whole eggs 22 Q Mr. Daga, you'll either have to make a 23 decision you want the court reporter to take down your 26 downward on page number 2. 17 Q Would the price that Conopco would be paying for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? A No. 20 Okay. 21 Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	1	, ,
18 Q Okay. 19 A So the 67 percent current market is X. Soy 20 meal market is 215. Whole egg cost based upon above 21 feed cost 3945. Whole eggs 22 Q Mr. Daga, you'll either have to make a 23 decision you want the court reporter to take down your 18 for whole egg under that contract be affected by the price of shell eggs in the Urner Barry market? 20 A No. 21 Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	II .	
A So the 67 percent current market is X. Soy meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your price of shell eggs in the Urner Barry market? A No. Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	· ·	
meal market is 215. Whole egg cost based upon above feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a decision you want the court reporter to take down your A No. Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that	1	, ,
feed cost 3945. Whole eggs Q Mr. Daga, you'll either have to make a Q Okay. For the whole egg component of this three-year contract that you were proposing under this three-year grain-based contract, would the price that		price of shell eggs in the other barry market:
Q Mr. Daga, you'll either have to make a three-year contract that you were proposing under this decision you want the court reporter to take down your three-year grain-based contract, would the price that		
decision you want the court reporter to take down your three-year grain-based contract, would the price that	11	,
	II	, , , , ,
²⁴ words or if you want to read to yourself. ²⁴ Conopco was paying for the whole egg component be	II ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '	1
25 A No, I'm talking to myself, really. That's affected by the supply of layer hens?	1	
, J , , , , , , , , , , , , , , , , ,	3 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2 /	

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26 (Pages 98 to 101)

	20 (1 4ges 70 to 101)
98	100
¹ A No.	¹ Q Okay. And who is the name of the person
² Q Okay. And this was a contract, this	signing on behalf of Conopco?
grain-based contract for 13 million pounds of whole	³ A Nicola Roube.
egg per year, this was a contract that Michael Foods	4 Q And were you familiar with is that a
5 offered to Conopco?	5 woman?
⁶ A Correct.	⁶ A Yes.
⁷ Q Okay.	Q And were you familiar with Ms. Roube?
8 MR. GREENE: Daga Exhibit 7.	⁸ A Yes.
⁹ (Purchase Agreement, Bates CPCEG00000009	⁹ Q What was her position?
to CPCEG00000046, marked as Daga Exhibit 7, as	¹⁰ A VP supply management.
of this date.)	¹¹ Q And did you did she have some connection
MR. GREENE: And, for the record, Daga	to you in the line of authority?
Exhibit 7 is CPCEG number 9 through 46.	A She was my boss's boss.
14 BY MR. GREENE:	Q Okay. And there's a it looks like below
¹⁵ Q It's a long document. And, again, with all	the printed material on the left it says Ramesh; is
these topics, you can look at what you want. I'm	that correct?
going to guide you to particular portions. But if at	A That's correct.
any time you want to look at a particular portion,	Q And would that have been your sign-off?
please just stop me and let me know. Okay?	19 A Correct.
²⁰ A Okay.	Q And you wrote that yourself?
²¹ Q All right.	A Correct.
MR. GREENE: We're going to take a break now	Q Okay. The at Tab 17, or, I'm sorry,
for the video and we'll come back and I'll ask	Bates No. 17. The product here is described liquid
you some questions. How quickly can you	whole eggs the line reads: Liquid whole eggs,
25 How quickly can you	parentheses, M.G.W. product code number
99	101
THE VIDEOCRAPHER: The time is 11:00 c.m.	
THE VIDEOGRAPHER. THE WHE IS 11.09 a.m.	40025-05000-00/Offilever Spec #12200220, and
and we're going on the record.	description: Egg Blend Liquid Light. Do you see that?
Whereupon, off the record.)	4 A I do.
 (Whereupon, resumed.) THE VIDEOGRAPHER: The time is 11:15 a.m., 	Do you recognize that Unilever spec?
and this is DVD No. 2 of the continued video	6 A That's our spec number.
deposition of Mr. Ramesh Daga.	Q Okay. And what can you explain to me,
8 BY MR. GREENE:	8 what was this product?
9 Q Mr. Daga, you understand you're still under	9 A It says liquid whole egg blend, egg blend
oath?	liquid light, so it's some kind of egg blend.
11 A Yes.	¹¹ Q And what is this product used for?
Q We're looking at Daga Exhibit 7, and I'm	A To make mayonnaise.
going to direct you to particular pages. But, again,	¹³ Q And so this was a purchase that was being
you can look at any portion you'd like.	made for mayonnaise manufacture, correct?
15 If you look at the page with the Bates	¹⁵ A Correct.
number that ends 16. One-six.	Q All right. In Quantity it says: The annual
17 A Okay.	volume says maximum of 19,402,985 pounds of product.
¹⁸ Q This is a signature page between purchaser	Do you see that?
and supplier. Do you see that?	¹⁹ A I do.
²⁰ A I do.	²⁰ Q Relative to other egg product purchases is
Q And the purchaser is Conopco, Inc. d/b/a	that a large volume?
Unilever Bestfoods North America. Do you see that?	A It is a large volume.
²³ A I do.	Q Right. In fact, was Unilever Spec 12660220
Q The supplier is Michael Foods, Inc.?	the largest egg product, single egg product that
²⁵ A Yep.	²⁵ Conopco purchased?

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102 104 A I do recall that was one of the large, I'm written notice to supplier. Such grain-based pricing not sure the largest, I can't tell you, but. shall remain fixed for such time period as purchaser Q One of the largest? may specify in such written notice. Do you see that? A One of the largest. Or it could be the A I do. Q The next sentence: Purchaser can lock in largest. the CBOT corn and soy meal for a period not to exceed Q It could be the largest? A Uh-hum. 12 months at any given time. Can you explain what Q The Weekly Volume says: The purchaser may that last phrase means, that last sentence means? order a maximum weekly volume of 10 40,000-pound A What it says that I can lock in price for up 10 10 tanker loads per week of product. Do you see that? 11 11 A I do. Q So, you don't even have to worry. If you 12 12 were to elect the option of locking in the soy and the Q Okay. Can you just help me understand, what 13 13 is a tanker load of product? corn prices for a year, then the price for that year 14 A A whole truckload. 14 wouldn't even be affected by changes in the price of 15 15 Q Okay. So if I'm imagining a big tanker corn and soy, correct? 16 16 truck filled with liquid, that's one tanker? A This is only based on what we had bought. 17 17 A Correct. We had bought market-based material as well. 18 18 Q And this is calling for 10 of those to be Q But the whole egg component under the 19 19 delivered to where, Kilbourn? grain-based, this grain-based contract for that whole 20 20 A Correct, up to 10. egg component, you were being given the opportunity to 21 21 Q Up to 10. lock in the price of the whole egg component for a 22 I'm going to direct your attention to Bates 22 year, correct? 23 number 19. 23 A Correct. 24 And it says -- this is, again, it lists the 24 Q Okay. And if you didn't lock it in, then 25 product numbers, both the Michael Foods product number the price would be determined for the whole egg 103 105 component but solely based on the prices of corn and and the Unilever product number at the top. Do you see that? soy, correct? A Correct. A I do. Q Okay. Do you know -- by the way, now the --Q Okay. Did you elect the option at any point to lock in the grain and -- I'm sorry -- the corn and next to 50,000 pound tanker it says Liquid Ossi Blend 5 Percent Salt. Do you know what that means? soy prices for a year? A It's the name of the product we buy. A I don't recall. Q What does the ossi part mean, do you know? Q But you understood you had that option? A I don't recall now, I knew back then. A I had the option. Q And if you look at the page that is Bates Q It had some meaning? 11 11 A Some meaning. numbered 42. This page shows that the contract was 12 12 Q And there's a description of the grain-based valid from January 1, 2004, to December 31, 2006, 13 13 pricing. Do you see that? 14 14 A Somewhere. A Correct. 15 15 Q In the -- toward the top it says: All Q A three-year contract, correct? 16 16 grain-based pricing will change monthly --Correct. 17 17 Q And it covered 57 million pounds of product, 18 18 Q -- or otherwise determined with CBOT corn correct? 19 19 and soy meal prices. Correct. A Yes. Three years at roughly 19 million pounds, Q 21 Q Do you see that? right? Correct. 23 23 Q It says: Provided, purchaser shall have the Q Okay. So is it fair to say from 2004 to 24 24 2006 the largest component of this contract was whole option to fix grain-based pricing based on the CBOT market prices in effect on a particular date upon eggs, correct?

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28 (Pages 106 to 109)

1 2 e		
² e	A For volume under this contract was whole	you see that?
	egg, the same formula as the 67 percent.	² A Yes.
3	Q Right. So this contract covers either your	³ Q It says: Attached is a quarterly egg
4 lá	argest or one of your largest egg product purchases,	update. Do you see that?
	correct? This specification we talked about.	5 A I do.
6	A Correct.	⁶ Q And then there is an attachment here.
7	Q 12260220.	⁷ A Okay.
8	A Correct.	8 Q Did you send this email in October of 2004?
9	Q You said it's either the largest or one of	9 A It says it came from me, so it must have
10 th	he largest egg product, single egg product purchases	come from me.
	ou make.	Q Okay. And the attachment is what's shown as
12 y	A Correct.	12 82812 through 820, correct?
13	Q Right? 19 million pounds per year, correct?	A Correct.
14		Q And you prepared the attachment?
15	_	And you prepared the attachment? A I may have. It sound familiar to me.
	Q Right. But this contract, one of your	A Tillay liave. It soulld failillial to file.
17	argest, the spec.	Q Right. Well, it says Eggs - October 04
18	A Yes.	opuate, October 6, 2004, this would have been within
19	Q 1226022, one of the largest, correct?	your area or responsibility, correct:
20	A Correct.	A 165.
	Q All right. And the largest component of	And this is the kind of appeale you would
ll "	his contract is whole egg, correct?	prepare:
22	A Correct.	A Yes.
23	Q And for this three-year period, this whole	Q It's attached to an email that you sent?
	egg component for this, for this Unilever Spec	A Yes.
²⁵ 1	12260220, it was priced under a grain-based contract,	Q All right. So is it fair to conclude that
	107	109
1 CC	orrect?	you prepared this PowerPoint?
2	A For this period, yes. For this portion of	² A Yes.
3 th	he contract.	³ Q All right. Can you again, you can look
4	Q For the whole egg portion for this	at any portion that you'd like. The page that ends
⁵ th	nree-year period?	5 2814.
6	A Correct.	6 A Uh-hum.
7	Q Which accounts for roughly 39 million pounds	Q It says under Demand Situation: Higher
8 of	f material, correct?	8 prices earlier during the year permanently destructed
9	A For three years.	9 significant industrial demand as food processors, like
10	Q 13 million?	UN, have taken eggs out of formula. Did I read that
11	A Correct.	11 correctly?
12	Q For each of three years?	12 A Correct.
13	A Correct.	Q Okay. What did you mean by that?
14		A It means company, corporations who use eggs
15	MR. GREENE: Daga Exhibit 8. For the	A it means company, corporations who use eggs
16	record, CPCEGED00082811 through 820.	they have taken eggs out of the formula of reduced
17	(Email Exchange, Bates CPCEGED00082811 to	eggs because of the higher prices.
18	CPCEGED00082820, marked as Daga Exhibit 8, as	a oray. That of all, there's a reference to
	of this date.)	into ort, is that supposed to be a reference to
20 B	RY MR. GREENE:	Offiliever:
	Q Mr. Daga, do you see that there is a the	A Correct.
11	ont page is an email exchange. The bottom email on	Q Okay. So let's start with the Unilever
II	ne first page is from yourself to a group of people	part. What is it you're referring to that Unilever
II	nat includes Peter Goggi.	²³ did?
24	A Uh-hum.	A So what I'm saying that it's a company like
25	Q And its subject is Quarterly Egg Update. Do	Unilever. I'm not saying that we did that. A company

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29 (Pages 110 to 113)

	110		112
1	like Unilever, we may have taken eggs out of the	1	A Correct.
2	formula because of the higher cost.	2	Q Okay. And you're projecting only a 2 cent
3	Q Okay. What does it mean to take eggs out of	3	drop in breaking stocks, correct?
4	formula?	4	A That's what it says.
5	A Say if you're using, say, hundred pounds in	5	Q But a 15 cent drop in unpasteurized yolk.
6	your recipe, you have taken all of it out or part of	6	A That's what it says.
7	it out.	7	Q Why were you projecting such a larger drop
8		8	in unpasteurized yolk?
9	Q Okay. So what you're referring to here is	9	·
10	food processors changing the specifications of their	10	A Two factors. This was done in October 2004,
11	products to use less eggs; is that correct?	11	so by this time I already had nine months worth of
12	A Correct.	12	actuals. I'm only guessing the balance of the three
13	Q Okay. And your observation back in October	13	months. So my projection certainty is quite strong,
	of 2004 is that there were food processors that were,		I'm only guessing three months. So I had actual
14	in fact, doing that, changing the composition of their	14	prices of both the component as of September. So
15	products to use less eggs, correct?	15	taking into account actual and what I project the
16	A Correct.	16	balance of the three months, the weighted average
17	Q Were you do you recall any examples of	17	projection is what I wrote there.
18	that?	18	Q So this wasn't all a prediction, this was,
19	A I don't recall now.	19	some of this was information you already had based on
20	Q Okay. Was that something that Unilever was	20	2004 prices?
21	doing?	21	A Has to be because this was done in October
22	A They may have.	22	2004.
23	Q Do you recall whether they were?	23	Q I understand. Can you turn to page 82819.
24	A I don't recall now.	24	A Okay.
25	Q If you look at the page that ends 281	25	Q And this is your Strategy and Outlook page.
	111		113
1	82815. This is your you have a Price Outlook?	1	A Okay.
2	A Yep.	2	Q And it says at the top: Maintain current
3	Q And it compares Breaking Stocks to Unpast, I	3	mix of grain base and spot pricing for Dressing
4	assume that's unpasteurized, unpasteurized yolk; is	4	business.
5	that correct?	5	A Okay.
6	A It's not a comparison, just they're two	6	Q This is a page that starts Eggs October 04
7	different prices.	7	Update Strategy and Outlook, correct?
8	Q It's side it's a side by side?	8	A Correct.
9	A Side by side.	9	Q What did you mean by maintain current mix of
10	Q Okay. And if I'm reading correctly, 2003 is	10	grain base and spot pricing for Dressing business?
11	an actual price, correct?	11	A We had a mix of both grain based, as we
12	A Yes.	12	talked the last time, that is a three-year contract
13	Q The middle line 2003	13	tied to grain base. That's only part of what we buy.
14	A Yep.	14	The only part is market-based spot pricing.
15	Q that's something you're actually	15	Q And Dressing business, what is Dressing
16	observing in the market, correct?	16	business?
17	A It says Actual Price.	17	A Mayonnaise.
18	Q Right. So this is one where you're	18	Q Mayonnaise?
19	reporting what's going on in the market now?	19	A Correct.
	A It's knowing what went on.	20	
20			Q Is there anything else that would be
20 21	•	2.1	
21	Q Okay. And that was 55 cents for breaking	21	included in the category of dressing?
21 22	Q Okay. And that was 55 cents for breaking stocks and 70 for unpasteurized yolk, correct?	22	A It could be salad dressing.
21 22 23	Q Okay. And that was 55 cents for breaking stocks and 70 for unpasteurized yolk, correct? A Correct.	22	A It could be salad dressing.Q Do you buy eggs for the salad dressing?
21 22 23 24	Q Okay. And that was 55 cents for breaking stocks and 70 for unpasteurized yolk, correct? A Correct. Q All right. And then this is your projection	22 23 24	 A It could be salad dressing. Q Do you buy eggs for the salad dressing? A They use eggs for salad dressing.
21 22 23	Q Okay. And that was 55 cents for breaking stocks and 70 for unpasteurized yolk, correct? A Correct.	22	A It could be salad dressing.Q Do you buy eggs for the salad dressing?

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30 (Pages 114 to 117)

114 116 mix of grain base and spot pricing for the dressing level. Many options you have. Then you -- you still business, correct? need that, by the way, not that we don't need, but A Correct. versus the egg. So this is all comparison versus Q It says: Stay spot for yolk for all something else. businesses. Do you see that? Q Right. A Correct. It's not, you know, so you put them. Q Why did you make that recommendation? Q You mentioned two things, I heard you A I felt that that's the right thing to do mention complexity and many options. So how does back then. complexity affect, the complexity of a product affect 10 10 Q For what reason? where you are on this chart? 11 11 A Probably it has to do with the pricing. I A Egg is a very complex product to make 12 12 felt that egg prices -- yolk prices are stabilized, because of the salmonella issue and it is not so easy. 13 13 The shorter shelf life. You have to make in certain and you don't want to lock in everything way ahead of 14 14 time. So part of risk management you do some fixed, timeframe and use it right away. You can't stock it. 15 15 some market based, so that you are not hedging your You can't store it. So it is not an easy material. 16 16 bets all in one basket, all eggs in one basket. Whereby, if I use the salt example again. Salt, you 17 17 Q It had to happen at some point during the make it, you use it three months later, four months 18 18 deposition. 19 19 A Exactly right. So would you consider the egg products that 20 20 Q All right. you purchased for the mayonnaise business to be a 21 21 A It sure did. complex product? 22 22 Q But this is based on your judgment about the A Complex, important, strategic. 23 supply and demand for yolk in particular, correct? 23 Q You also mentioned in the case of salt there 24 A Correct. 24 would be many options; that is, if you -- I assume 25 25 Q Okay. Let's go to the last page. And this that means that if you don't like the deal that one 115 117 is, it says Eggs October 04 Update Egg Positioning salt vendor is providing you, you can easily go to Matrix. This is the document that ends 820. another salt vendor? A Okay. A That could be one of the reasons or the Q Can you explain this page? importance of salt in the material. A So we, in our internal purchasing process, Q Okav. we have a quadrant we always use. This quadrant is A In the whole recipe. It is not as important called position metrics. Where would you plot eggs if as eggs. It is not as complex as eggs. So that's the you have only four options? There are four buckets. example I'm trying to give you to compare why one would fall on one quadrant and other would fall on Whether you plot them on strategic side or on the low end where it's not so important. Egg is important other quadrant. 11 11 ingredient for mayonnaise business and, hence, we Q And I'm trying to follow-up. I thought you 12 12 plotted that at the upper right-hand quadrant because said something about many options in salt. 13 13 A That could be one of the reasons. it is important material. 14 14 Q Explain what -- what is it that puts a Q Right. 15 15 product in the upper right-hand quadrant? A Not the reasons. 16 16 A It's an important material for that Q But what does that mean many options? 17 17 A You have many different suppliers. particular category. 18 Q The 2 by 2, though, what is -- can you Q Okay. In salt? 19 19 explain to me the difference between the horizontal Α You could have. 20 low/high and the vertical low/high? O Okav. 21 A So if the material is not so important, not Don't know why. For that particular reason 22 so critical, you know, say salt, for example, all salt was dropping, that could be one of the factors. 23 23 right, it is not so critical, that would have dropped Q And what about in the egg products that you 24 24 on lower left-hand corner. Because it's not so purchased for mayonnaise, you've got them in the upper important, not so complex, easy material, very level right here.

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118 120 Correct. together? Why are they in the upper right? A That's one of the things we did. Q And you referred to working together on A And again, I repeat again that it's important deal for that category. And you want to supply chain optimization, what do you mean by that? manage it. It's volatile. High spend. So you want A It means make sure that you have the best to obviously pay more attention to that particular logistic arrangements. Best delivery arrangements. quadrant. There are many factors goes on supply chain always. Q What does, where it says Strategic, what You want to make sure that it is the best available does strategic mean? option from both sides. 10 10 A It means that you give more importance. You Q So you work together on that? 11 have management involved on your supply relation, as 12 you saw in the contract where my VP got involved on Q Okay. What does process integration with 13 13 signing the contract. It's important for company and supplier mean? 14 14 also that category. A It means that they have greater part of our 15 15 Q Okay. And what is the -- the bullet Ensure process. One of the things could be that they may 16 long-term availability of supply, what does that mean? have control of how much stock we have or eggs in our 17 17 A It means without eggs we are out of factory, so that gives them the signal that to ship us 18 business. more oil -- more eggs. Sorry. 19 19 Q So as an egg products buyer what does that Q So you may share inventory information? 20 20 mean for you as far as an objective? A We may. 21 21 Q That you ordinarily wouldn't share with a A We have to make sure there is long-term 22 22 vendor? availability of that particular ingredient in the 23 23 marketplace. A Correct. 24 Q Okay. And the second bullet says: Focus on 24 Q But this -- in process integration you share 25 25 relationship building and process integration with that information in order to make things more 119 121 supplier. What does that mean? efficient? A So you build long-term relation with the supplier like we did with the Michael's Food Q Did you, in fact, develop new products with three-year contract. Again, the same thing. Why is Michael Foods? that, because it's a strategic material. A I don't recall. Q And when you say you built a long-term Do you have any experience buying shell Q relationship, what do you mean you built a long-term eggs? relationship? A No. A If you have a longer term contract, you work Q None? together on various projects. A No. Not for company. 11 11 Q When you say you work together on various Q For, I mean -- I don't mean buying at the 12 12 projects, what do you mean? supermarket, I just mean in any business setting. 13 13 A It means to either develop new product or 14 14 supply chain --MR. GREENE: I'm going to mark Daga 15 15 (Whereupon, request to repeat.) 16 16 MR. GREENE: I didn't hear it either. (Pricing Document, Bates CPCEGED000066528, 17 17 A Develop new products. Supply chain marked as Daga Exhibit 9, as of this date.) 18 optimization. Reduced cost. Variety of things as a MR. GREENE: And here I'll try and clarify 19 19 partner you would do together. for the record. 20 20 This is a spreadsheet. These are selected Q Did you consider Michael Foods to be a 21 documents from I think a spreadsheet. The first A We obviously did, that's why we signed page is CPCEGED000 -- I'm not sure how many 23 23 three-year contract. If we did not feel that way, we zeros -- 66528. It says underscore Jan 24 24 underscore Highly Confidential. They're not -would not have signed a longer term contract. Q And as a partner you developed products MR. MURRAY: They're not consecutive.

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122 124 MR. GREENE: They are not consecutive. I and, you know, see how it was put together and think if you look at the top their monthly see if there's other things that might be missing pricing form, they say Unilever/Best Foods, and I believe they are chronological with some gaps. MR. GREENE: Understood. Understood. And The first one has delivery dates 1/4/04 to we're all acting in good faith here. MR. MURRAY: Right, right. 1/31/04, and I think the last one has delivery MR. GREENE: Spreadsheets are hard. dates 4/1/07 to 4/30/07. MR. MURRAY: Were they produced like this or MR. MURRAY: I understand. This is a you compiled this? Because these numbers aren't compilation. And there's at least one error we consecutive. noted and we're reserving the right to look and 11 11 MR. GREENE: They are consecutive. I think see if there's anything else that might be 12 12 in the case of spreadsheets, if you actually irregular. 13 13 printed everything out that you could, you'd end MR. GREENE: Okay. Fair enough. 14 14 up with an enormous document. What you have BY MR. GREENE: 15 Q Mr. Daga, let's just look at the very first here, I believe, my representation is, I think 16 this is an intent to compile the like documents page of this. 17 17 for each period we could find them from January A Uh-hum. of '04 to April of '07. I believe the gap from Q Do you recognize this type of document? April to May is when we couldn't fill with the A Yes, I do. Conopco documents, so I think that's my best Q What is it? 21 21 A It's a monthly pricing sheet for Michael's representation. 22 MR. MURRAY: Okay, but there's also emails 22 Food. It says clearly Monthly Pricing. 23 in here, too. 23 Q And in the case of prices that change from 24 MR. GREENE: Where? 24 month to month, each month you would see different MR. MURRAY: Well, 84612. There's emails in prices, correct? 123 125 the middle of this. A Correct. MR. GREENE: Can I see? Maybe it's a Q Okay. So, for example, this, this first page, the cover page of Exhibit 9, has delivery dates copying error. MR. MURRAY: Yeah. If you go towards the of January 4, 2004, to January 31, 2004, correct? back, it's about the fourth or fifth document. A Correct. MR. GREENE: Can we go off the record for a Q Okay. And the -- the first product on the moment. Let's go off the record. sheet at the top in Chicago. Do you see that? THE VIDEOGRAPHER: The time is 11:48 a.m. A Yes. Q There's two products. It looks like on the We're going off the record. (Whereupon, off the record.) left is the Michael Foods number 4602585686-00. (Whereupon, resumed.) A Correct. 12 12 THE VIDEOGRAPHER: The time is 11:49 a.m. Q Is that correct? 13 13 A Correct. We're back on the record. 14 14 MR. GREENE: All right. Mr. Murray has been Q And on the extreme right is that the 15 15 good enough to point out what I believe was a Unilever number? 16 copying error in producing the exhibit. A Correct. 17 Q 1226020? Towards the back of the exhibit there's a 18 document that reads CPCEGED00084612. It's an Correct. 19 email. My belief, my representation is that it Q And at the top of the sheet is that the --20 was inadvertently included in this group of this is the product, the numbers I just gave, for the 21 21 documents. We're going to leave it in the product, the blend, the liquid blend that was covered exhibit noting that it's inadvertently there, I'm by the three-year contract we looked at before, 23 23 not going to question on it. 24 24 MR. MURRAY: And we reserve the right to A Also it includes the one which is not challenge this compilation once we go through it covered in the contract which is market based.

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128 126 (First 10 loads each week) in 2005, correct? Α The two-line item with exactly the same item A Correct. numbers. Q I'd like you to turn to the page within Q Same item numbers. This is the, this is the Exhibit 9 that has the delivery dates of 12/1/05 to 12/31/05 item that's referred to in that three-year contract, though, correct? A Okay. A This is item. Q All right. And here, again, the top two Q All right. line items on the page refer to the product that Correct. we've -- the liquid blend that we've been talking 10 about, correct? Q And so we looked and we saw in the 11 11 Exhibit 7, the contract, there was a quantity of 10 A Correct. 12 12 loads per week, correct? Q All right. And the first line says Grain 13 13 A Maximum. Based Price (First 10 loads each week), the way we've 14 14 Q Maximum. Right. So can you explain how the seen it before, correct? 15 15 A Correct. quantity, how the pricing and the quantity worked with 16 these top two lines that relate to the same actual Q And then after that you have the market 17 product? price, correct? 18 A So, first, 10 loads obviously will come at a A Correct. 19 19 price of 5378, that's the price as per the grain-based Q Okay. Now flip to the next page, January 1, 20 contract. '06 to January 31, '06. 21 21 A Okay. Q Okay. 22 A If we need anything more than that, then 22 Q And now it says Grain Based Price (First 7 23 we'll go market-based contract which is at a higher 23 loads each week, remaining loads at formula price). 24 price. 24 And if you continue to flip through the 2006 25 25 Q Okay. At this particular time? sheets that follow, they continue to say loads each 127 129 A For this particular period. week. And you received these each month, correct? Q And that could change over time, correct? Q Okay. And this is part, you would see these A This is only for that period January. Q Right. Right. So the first 10 loads would as part of your ordinary duties as egg products be priced at the grain-based price and anything in purchaser, correct? addition that Unilever needed would be priced at a A Correct. market-based price, correct? Q Okay. Can you explain why the entry goes down from first 10 loads each week to first 7 loads A Correct. Q Now, I notice that if you -- and, again, each week between December '05 and January of '06? 10 I'll represent to my -- our best effort was to produce A One theory behind this could be that we may 11 11 these chronologically, if you flip through. have exceeded --12 12 A Okay. MR. MURRAY: Did you say January of '06? 13 13 MR. GREENE: Correct. Q There are some gaps, but they should be 14 14 chronological in the sense that later documents follow Give Mr. Murray a moment. 15 15 earlier ones? Mr. Murray, I'm comparing the sheet that has 16 16 A Okay. at the top 12/1/05 to 12/31/05. Do you see that 17 17 Q And as you go through you notice that you one? 18 18 continue to see this grain-based price first 10 loads MR. MURRAY: Okay. 19 19 per week in the other pricing sheets that occur in MR. GREENE: And then the following one. 20 2004, correct? It says Grain Based Price (First 10 I've been in your shoes before. I'll wait. 21 loads each week)? MR. MURRAY: Okay. I got that one. And A Looks like, yes. you're going through to... 23 23 You can flip through and see 2004. MR. GREENE: The next page. 24 24 MR. MURRAY: Oh, just the next page. Okay. You continue to see that Grain Based Price MR. GREENE: The next page.

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132 130 MR. MURRAY: All right. Okay. All right. want to. I see that. Q All right. And you don't recall? BY MR. GREENE: Q So, just to review. It appears that between Do you recall whether Michael Foods made you the end of '05 and early '06 the sheets no longer or compelled you in some way to go from 10 loads to 7 provide for grain-based price for the first 10 loads each week, they start to provide for grain-based A I don't recall. prices for the first seven loads each week. Do you Q During this period, the price, market price see that? of shell eggs was in a very low, depressed state, was 10 10 A That's right, I see that, yes. 11 11 Q Okay. Why was there a change from 10 loads A I don't recall that. 12 12 per week at grain based to seven loads per week at You don't recall. At any given time it can 13 13 be advantageous to be at market-based prices -grain based? 14 14 A So one possible explanation could be that we A Correct. 15 15 may have run ahead on our contract. And the contract Q -- if the price of the -- if the prevailing 16 was for, if you remember that, was for 57 million market price is very low, correct? 17 17 pounds of this 13 million pound per year was for the A Correct. 18 18 grain based. So when you're reconciling your three Q Okay. It can be advantageous to be grain 19 19 years, you may have run ahead on the grain based in when the market is high, correct? 20 20 the first two years. And since 2006 was the last year A Correct. 21 21 Q And it could be disadvantageous to be grain of the contract you want to balance out. And hence, 22 22 reset, make sure you don't exceed what you committed when the market is low? 23 for the grain-based portion. 23 A That's why we didn't buy all of it under 24 Q You said a possibility. Do you recall why 24 that arrangement. You see the very first sheet, it 25 25 this changed? was opposite. 131 133 Q The very first sheet is opposite, what do That's a possibility. A That may have happened that to, you know, A It's saying the grain base was lower versus typical contract arrangement here, a three-year market base. So somewhere towards the year number contract, you have -- you allocate X volume per year three or somewhere it got reversed. for three years. Sometimes you run ahead. Say if you Q Right. By this time it looks like the -bought three one each of each of the three years, but now I'm talking January of '06 -- the market price at the end of the two years say you already have is -gotten 2.5, so you only have half left over. You have A Lower. 10 to cut down, slow down to make up because you ran Q -- is lower. 11 ahead in the first two years. A Correct. 12 12 Q Well, before -- I'm going to ask you more Q 43 -- .4377 instead of .5011, so it would be 13 13 advantageous to only have to buy 7 loads of grain questions about that. 14 14 rather than 10, correct? 15 15 Q But you're referring to a possibility, and A Not necessarily. 16 16 my question is: Do you remember actually why this Q Why is that? 17 17 A We have obligation for to buy X million 18 18 A No, I don't remember now. That could be one pound under the grain-based contract, so we have to 19 of the possibility what we do, typically do -fulfill our obligation. If the contract is 13 million 20 20 Q Okav. pounds, as you saw in the contract, we have to take 39 21 21 -- to balance out. million pounds under grain based. 22 22 Q Right. Is it possible also that Unilever Q Wasn't the contract set up so that if you 23 asked to reduce the number of truckloads at took 10 truckloads per week you would meet the 24 24 grain-based price from 10 to 7? contract number? 25 A Could we ask, yes, we could ask anything we A We have planned that way. It may not have

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	134	136
1	happened that way and that's why you reset during the	¹ across and maybe you could just explain to me what
2	duration of the contract to make sure you are on	² these headings are.
3	schedule. You don't want to wait until last month of	³ A Let's start with the Vendor number because
4	the contract then realize that either of the party did	4 I'm not
5	not fulfill their part of the agreement.	⁵ Q Do you know what the PurchD PurchDoc, do
6	Q Okay. But you don't have any you don't	⁶ you know what that is?
7	have any recollection as you sit here as to why you	7 A I don't know what it means 5E+09.
8	went from 10 to 7?	⁸ Q Okay.
9	A Like I said before, that's what typical	⁹ A I don't know what that means. It's some
10	thing we do. For a longer term contract we honor our	¹⁰ kind of formula here.
11	part of the bargain and vice versa.	¹¹ Q Okay. The next one I think says Item.
12	Q Okay. So other than an explanation having	A Item, so it must be some kind of item.
13	to do with honor the bargain, you have no other	Q Looks like the numbers go from 1 to 4, 1 to
14	recollection as to why it went from 10 to 7?	¹⁴ 5 maybe, you don't know what that is?
15	A I don't know why. I don't recall anything	¹⁵ A I don't know what that is.
16	else.	¹⁶ Q Okay. Vendor number.
17	(Transactional Data Spreadsheet marked as	A That's the vendor number for Michael's Food.
18	Daga Exhibit 10, as of this date.)	Q It changes, right, because there's different
19	MR. GREENE: I'll make a representation	vendors on here?
20	here.	A 165. 30 each vehicol has their own humber.
21	BY MR. GREENE:	Crystal Lake is the flext one. So they have their
23	Q Mr. Daga, this is displaying data from Bates	number ending in 400.
24	ID CPCEGTD00000001, which was exported natively from	Q Okay.
25	the Joint Document Repository.	A 30 each vehicol has a unique ib humber.
23	MR. GREENE: TD, counsel, is that	²⁵ Q All right.
	135	137
1	transactional data? Is that what that Bates	¹ A The next column Vendor Name, obviously, so
2	number is supposed to mean?	² that's the vendor name.
3	MR. MURRAY: I'm not sure.	³ Q Let's stop for a moment here.
4	MR. GREENE: I'm guessing that's the case.	4 If I wanted to identify all the vendors that
5	It's identified in some of the interrogatory	⁵ sold egg products to Conopco, I could simply print out
6	responses.	the 164 pages and look at that column, correct?
7	MR. MURRAY: It probably is.	A In theory that should be the right way of
8	MR. GREENE: Yes. What I'll represent to	8 getting it done.
9	you is, if this were completely printed out, it	⁹ Q All right. Would anything be wrong with
10	would be a 164-page document.	¹⁰ that?
11	MR. MURRAY: Right.	A Unless there's system errors.
12	MR. GREENE: We have printed out the first	12 Q Okay.
13	two pages and the last two pages. I'm not	A Sometimes the system doesn't capture in the
14	interested in every entry in every page, I just	System. This came from various system, so sometime
15 16	wanted to be able to understand the document.	System doesn't do interracing or could be.
17	MR. MURRAY: Sure.	Absent a system enor, that would be an
18	BY MR. GREENE:	appropriate way to identify who the vehicles are that
19	Q Are you familiar with this arrangement of	Sold to Compact:
20	transactional data?	A Yes. In theory, yes. Q Okay. The next column.
21	A We use our transactional system, yes.	A The next column is called Material Group.
22	Q So this is something you recognize in format?	Each material has to belong to a group. R means raw,
23	A Yes.	23 so that's a raw ingredient we buy. And eggs.
24	Q Okay. And so can you help me. This is,	²⁴ Q And so this is, it looks like these are all
25	looking at Exhibit 10, if you can just let's go	25 R eggs?
	issuing at Exhibit 10, ii you can just licto go	0990.

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	30 (1 ages 138 to 141)
138	140
¹ A These should be all R eggs.	Q Okay. This would just be who happened to
² Q Okay.	² enter it into the system?
3 A Looks like.	3 A Correct.
⁴ Q All right.	⁴ Q Okay. All right. Plant?
5 A The next one is Material Number, so that	⁵ A So that's the plant number and plant name.
6 unique spec number we had in the contract. Remember	So the very first line 663, that's our factory in
that. So spec number and the description of that	Owensboro. Owensboro, Kentucky.
8 number.	⁸ Q Okay. So that when I see the plant next
9 All right. The next thing is	⁹ to the name, again, we have a number and a word
¹⁰ Q So do those two go together, material and	description and they go together as a pair?
naterial description?	11 A Correct.
12 A Correct.	Q All right. And what is made in Owensboro?
Q One's a number and one's words?	¹³ A Pasta sauce.
14 A Correct.	¹⁴ Q Where is Owensboro, what state?
¹⁵ Q Okay.	15 A Kentucky.
A Next is Purchasing Org, so that's probably	Q So now we have Sloc is the next column
Conopco. Each of the entity belong to, looks like	¹⁷ heading.
¹⁸ it's all Conopco.	¹⁸ A I don't know what S-I-o-c is.
Q Does that mean that if we found an entry	¹⁹ Q Doc Date?
if we found a transaction involving Ben & Jerry's, it	A It must have been printed that day or or
would have a different entry there?	for that period. Some kind of date reference here it
A In theory it should.	looks like. Or the date of it's some kind of date
²³ Q Okay.	²³ reference.
A Although I can't tell you a hundred percent	²⁴ Q Okay.
that's all parties.	A Or on that date maybe that on November 10th
139	141
Next is the Purchasing Group so that each of	we had bought 14,000 pounds from Michael's Food.
the buyer have a number. So I have a number. My	² Q Okay. So quantity is Quantity and Weight
³ number, you know, represent a number here.	³ is
4 Q Oh, so PR PGR?	⁴ A Yeah.
⁵ A PGR, yeah.	Description 5 Q simply the 14, in this case
⁶ Q Okay.	⁶ A Yeah.
A It's called purchasing group, so PGR.	⁷ Q the first entry 14,000 pounds?
⁸ Q So why are there different numbers? Looks	8 A Correct.
⁹ like 28	⁹ Q Net Value, that would be the amount paid?
10 A And seven.	10 A Correct.
Q 7 and Z95 appear in and also the 48	Q And the Price would be the Net Value divided
later on, why are there different numbers here?	by the Quantity?
A It depends who keyed in the contract in the	13 A Correct.
system. Sometimes it could be the same person who	Q Currency is U.S. Dollars?
bought or sometime I send it out to somebody else	15 A Yep.
within our company to enter the contract in our SAP	16 Q The weight is
17 system.	A By pound.
Q Well, apart from sort of the data entry	¹⁸ Q by pound. Is there any difference
thing, were you the buyer for all of these contracts	between that, the second Weight column and the first
²⁰ through 2007?	²⁰ Weight column?
A Yes. Yes.	A So quantity ordered was 14,000 and in theory
Q But these numbers don't represent that	it should be, you know, the price would reflect that.
different people were negotiating the terms of the	You can't have a quantity order of 14,000 pounds and
24 contracts?	price on kilogram, then you'll have a problem. Looks
²⁵ A Correct.	like they're all pounds, pounds, pounds.
	, , , , , , , , , , , , , , , , , , ,

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142 144 Q Yeah, I'm just trying to understand why You see there's a quantity 200,000 and net there's two Weight columns. value 128 -- \$120,800, those come from the A Sometimes some other material you have you transactional data. You understand that? may have difference. A Okay. Yes. Q Okay. And the Type, it looks like most of Q Those are actually extracted. them are POs but there are some UBs. And then this is a -- the last column is a division that's not part of the transactional data A Looks like purchase orders. Q Okay. And what is UB? that's produced. A No, I don't know what UB is. Don't know. A All right. Q But would that be an appropriate way to 11 11 MR. GREENE: Exhibit 11. calculate the price here? 12 12 A If you have the quantity, if you have the (Purchase Spreadsheet marked as Daga 13 13 Exhibit 11, as of this date.) value, then that's a calculation one can do. 14 14 MR. GREENE: And I'll represent to you Q Okay. 15 15 Exhibit 11 from the same database is intended to A The question is that correct or not, I can't be using the Doc Date field 2004-2006 purchases 17 from Michael Foods of the SKU 1260220. The first Q So let me ask you to take a look again -transaction is January 2004, and the last one is can you put Exhibit 9 back in front of you? This is 19 October 2006. the monthly sheets. MR. MURRAY: What did you do again? You A Okay. 21 21 went -- you went into the data and extracted just Q And I just want to see if I can understand 22 22 how to read the transaction data in the monthly sheet. the ones for this particular product? 23 MR. GREENE: For this SKU 12260220 2004 to 23 So, for example, let's take a look at 24 2006 purchases. 24 January 9th of 2004, the third line of Exhibit 11. 25 25 MR. MURRAY: This is an extraction you made A Okay. 143 145 from the data we produced? Can you see the third line of Exhibit 11? MR. GREENE: Correct. Third line, okay. BY MR. GREENE: Q All right. It's got a Doc Date of 1/9/2004. Q And the last column is an added column, it's Do you see that? not in the data, I wanted to ask you about that to A Yep. make sure that I'm doing it right. Q It has a quantity of 400,000. The quantity is in the data. The net value A Correct. is in the data. And you'll see we've added a last And that's exactly 10 tanker loads, correct? column of dividing net value divided by quantity. A Correct. 10 Q And it has a net value of \$258,120, correct? A Okay. 11 Q Okay? And is that an appropriate 12 12 calculation in order to come up with the price? Q And that's the total price that Conopco paid 13 13 MR. MURRAY: Before he answers, I'm going to for that purchase, correct? 14 14 just reserve our right to go back after the A Not correct. 15 15 deposition, obviously, and verify the information Q That's not the amount for the 400,000? 16 and see how this is done because it's an A That's what is the projected value and not 17 17 extraction with additional calculations to data actually what we paid. 18 18 we produced. Q What would be the difference? 19 MR. GREENE: Correct. That's just fine. A This is what we ordered 400,000, not 20 Again, we're all operating in good faith and if necessarily what we received. 21 you find something else like the email before, Q Okay. So what is the -- what is the I'm happy to work with you on it. significance? This is entered at the time of the 23 23 BY MR. GREENE: order; is that correct? 24 Q Let's take a look at the first entry in A This is what we, correct. Exhibit 11. Q All right. So -- it's a helpful

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147	140
146	148
¹ clarification.	before we take a break.
This is this is the, the amount that you	² (Email, Bates CPCEGED000083988 to
expected to pay based on receiving 400,000 pounds:	Of OLOLDoodooos, marked as Daga Exhibit 12, as
A il you got exactly 400,000 poullus:	or this date.)
Q Right.	DI WIK. GIRLLINE.
A Then yes.	T Show you what's been marked as Daga
Q Окау.	Exhibit 13. For the record, it's OF CEGED00003300.
A That's what we would have paid to.	This is not Correpct subcurrient. It's an
Q You would have paid \$215,120, confect?	email from Jason Taylor to you. Do you see that?
A Collect.	A 165,1 do.
Q All right. And it shows a price using our	d is this an email you received from
calculation of .5576, correct:	Wil. Taylor off of about August 24, 2000:
A Collect.	A mat's what it says.
And if you look at the Exhibit 9 for the	And do you recognize who wir. raylor is:
pendu January 4, 2004, to January 31, 2004, you see	A les, ruo.
the grain-based price is .5576, correct?	Q WIIOS WII. Taylor?
A Confect.	A The title of the document says ve sales for
Q 30 is it fall to freat that line with the	ingredient Division Michael I oods.
400,000 quantity as the portion that's being priced	All right. Did you have occasion to work
according to the grain-based price:	with thin when you were egg buyer:
A mais conect.	A les.
All right. And then the flext, you can see	Q Okay. And did you work did you have
the flext line, there's another line January 3, 2004,	Contact with these other people on this list:
conect:	Wil. Diominier:
²⁵ A Correct.	A Brommer, Jason and Toby, not Kevin.
147	149
Q And that's a quantity of 178,320, correct?	Q Okay. This is, Mr. Taylor's telling you:
² A Correct.	Ramesh - We look forward to meeting with you tomorrow
Q All right. And that has a net value of	to discuss the UEP program and also start the
4 107,705.28, correct?	⁴ 2007-2009 contract negotiations.
5 A Correct.	5 I think we when we looked at the contract
⁶ Q And the price again that's derived by doing	for the liquid blend that was being purchased at
net value divided by quantity is .6040, correct?	7 Kilbourn.
8 A Correct.	8 A Yes.
⁹ Q And that matches the second price on	⁹ Q That contract was for 2004 to 2006, correct?
Exhibit 9, the first page, January 4, 2004, to January	A Correct.
¹¹ 31, 2004, correct?	Q So we're now in August of 2006 and Michael
A Correct.	Foods is saying, let's talk about 2007 to 2009. And
Q Okay. And that matches the market price,	then there's an attachment to with a proposed
¹⁴ right?	agenda that Mr. Taylor sent; is that correct?
¹⁵ A Correct.	¹⁵ A Correct.
Q All right. So, if you wanted to go through	Q Okay. And you can see there are various
the transactional data and match the prices that were	categories that are being put on the agenda. You can
paid according to the orders to these pricing sheets,	look at any of them.
you could do what we just did and match the prices to	The second one from the bottom says
see whether they match the grain-based price or the	20 Grain-Based Contract Pricing 2007-2009. Kevin &
21 market price, correct?	21 Jason.
A They're for the same system so it has to	²² A Okay.
23 match.	Q Did you have a discussion in the middle of
²⁴ Q Okay. That's all.	24 2006 about entering into another grain-based contract
MR. GREENE: Just a couple more exhibits	with Michael Foods?
WIT. OTLETTE. Just a couple more exhibits	Will Wildriger Foods:

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39 (Pages 150 to 153)

150 152 A That's what agenda was so we have talked BY MR. GREENE: about the next three-year contract. Q Now, this is an email from -- it's a couple Q Did Michael Foods offer you the opportunity emails. to enter into another grain-based contract? If you look at the bottom one is October 6 A I don't recall. from Jason Taylor to you with some cc's. And the top Q Do you recall -- do you have any email is an email from Jason Taylor to you and other recipients, also cc'ing you, October 12, 2006. Do you recollection of them indicating to you they would be unwilling to enter into a grain-based contract? see that? A I don't recall that either. A Uh-hum. 10 Q In fact, from the agenda there's a -- from Q And these are Conopco documents. Did you 11 the agenda there's a suggestion that they were open to receive these emails from Mr. Taylor? 12 the idea, isn't there? A It says it came from Jason to me, so it has 13 13 to be right. A Okay. All right, so they must have been 14 14 open, I guess. Q All right. So it appears -- and, again, you 15 15 Q Did you, in fact, enter into another can look at any portion of this you like. 16 grain-based contract for 2007 to 2009? This comes in October two months after 17 17 A I phased out after '07, so I don't need to Michael Foods presented you with a meeting agenda that 18 go over after 2007, so I don't quite know what type of included a category for grain-based contracts; is that 19 19 contract arrangement we made for the next several correct? 20 20 A Say that again. Repeat your question. 21 21 Q Well, you -- the contract for 2007 and 2009 Q You recall that in August of 2006 Michael 22 22 Foods presented you with an agenda that included was entered in 2006, was it not? 23 23 A I don't recall when we entered into the grain-based contracts as one of the categories? 24 contract for 2007. That would be the logical thing 24 A Correct. 25 25 but I don't know exactly when that happened, if that Q Okay. And now we're in October of 2006, 151 153 happened. correct? Q And you don't remember what Conopco's A Correct. So approximately two months later? objectives or desires were at the end of 2006 regarding the pricing of its next contract? Α A We had to work out some pricing arrangement. Okay. And you are talking about 2007 price Q Right. sheet, that's the subject matter, correct? A And our objective was again to do best A Correct. Q All right. And actually I missed it. In possible thing for our corporation. Q And in 2003 you decided that the best thing the middle is an email from you. The bottom -for Conopco was to enter into a grain-based contract, A Uh-hum. 11 11 correct? Q I'm going to clear up the record on Daga 12 12 A Part of our requirement. Exhibit 3. 13 Q Correct. And my question is: What did you 13 There's three emails. The bottom is an 14 14 decide to do at the end of 2006? email from Jason Taylor to you October 6, 5:51 p.m. 15 15 A I don't recall what decision was made The middle of the page is an email from you 16 16 to Jason Taylor and John Brommer, October 12 at 7:29, because I was phasing out and I was in the process of 17 17 time of day. That's from you. 18 18 Q When did you know you were phasing out? And then there is an email from Jason Taylor 19 A Right around the end of six, early seven. 19 to you and other recipients on October 12. Do you see 20 that? MR. GREENE: Exhibit 13. 21 (Email Exchange, Bates CPCEGED000084327 to 22 CPCEGED000084328, marked as Daga Exhibit 13, as Okay. And in the middle, is it fair to say 23 you're in the midst of negotiating a contract with 24 24 MR. GREENE: Exhibit 13 is CPCEGED00084327. Michael Foods? A Looks like.

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40 (Pages 154 to 157)

	1		<u> </u>
	154		156
1	Q All right. And you are the only person from	1	CPCEGED00106168, marked as Daga Exhibit 14, as
2	Unilever in this correspondence, correct?	2	of this date.)
3	A Correct.	3	MR. GREENE: Daga Exhibit 14 is
4	Q All right. Or Conopco, using the Unilever	4	CPCEGED00106162 through 168.
5	email, correct?	5	BY MR. GREENE:
6	A Correct.	6	Q And this is an email from yourself to Lisa
7	Q You're not copying anybody else, any	7	Toriello can you pronounce that for me?
8	successor on these negotiations?	8	A Lisa Toriello.
9	A Looks like.	9	Q Toriello.
10	Q Right. So is it fair to infer you were the	10	A Uh-hum.
11	person that negotiated the Conopco contract for egg	11	Q It's an email from yourself to Lisa Toriello
12	products after the expiration of the 2004 to 2006	12	dated Tuesday, September 12, 2006, correct?
13	contract?	13	A Correct.
14	A That would have been me.	14	Q And the email attaches a PowerPoint,
15	Q It would have been you?	15	correct?
16	A Starting point would have been me.	16	A Correct.
17	Q All right. And so if I want to know the	17	Q And the PowerPoint, which is attached, reads
18	answer to the question, you know, why did Conopco	18	Egg Price Outlook, September 2006, Ramesh Daga, and it
19	decide on the pricing terms that it decided on in	19	has your phone number and Unilever, correct?
20	those negotiations, you would be the person to ask,	20	A Correct.
21	correct?	21	Q And this is a PowerPoint you created?
22	A In 2006 I would have been the person, yes.	22	A Correct.
23	Q All right. So I ask you: Why in 2006	23	Q And you created this at just about the time
24	let me withdrawn.	24	that you were negotiating with Michael Foods for your
25	In 2006, for the contracts for 2007 and	25	egg products contracts for the period past 2006,
	155		157
			157
1	thereafter, did Conopco, was Conopco offered a	1	correct?
2	grain-based contract option?	2	A It's coincidence because we made this quite
3	A I don't recall. But as per the agenda, they	3	regularly.
4	may have.	4	Q Right. But this particular one September
5	Q Right.	5	2006 is right in that period, correct?
6	A But I don't recall.	6	A Again, it's a coincidence. We make this
7	Q Did you accept a grain-based contract	7	very regularly.
8	option?	8	Q Right. I'm not
9	A I don't recall.	9	A Every month.
10	Q You don't know?	10	Q I'm not saying that it was specifically
11	A I don't know what I did accept or not	11	created because of those contract negotiations, I'm
12	really. You have to look in the record as to how we	12	just pointing out, September 2006, it falls within the
13	bought from 2007 onward, similar to we have done for	13	period when you were negotiating with Michael Foods
14	2004 to '6, to confirm that how we bought for that	14	about the next contract, correct?
15	period.	15	A That's correct.
16	Q And you understand you're the corporate	16	Q All right. And this is your you prepared
17	representative for questions about the pricing method	17	this, correct?
18	that the company used in its contracts with egg	18	A Looks like.
19	suppliers, correct?	19	Q It's Exhibit well, is there any question
	A Correct.	20	in your mind?
20		21	A No.
21	Q But you don't know the answer as to how you		
21 22	bought egg products after 2006, correct?	22	Q Your email.
21 22 23	bought egg products after 2006, correct? A That's correct.	23	A Right.
21 22	bought egg products after 2006, correct?		

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41 (Pages 158 to 161)

160 158 Q Yeah. deal with an expectation of rising prices? MR. GREENE: I'm sorry, I lost my own A Correct. document number, exhibit number. Are we on --Q Okay. And would that same rationale have MR. MURRAY: 14. suggested that grain-based pricing would have been a BY MR. GREENE: risk management strategy in 2006 going forward? Q In Exhibit 14 you were observing that shell A Yes, that's correct. eggs had continued to remain depressed for 26 months Q Okay. So one way, as of the middle of 2006, one way for Conopco to manage its risk for egg product A That's what it says. purchases going forward would have been to enter into 10 10 Q Yes. And you can look at as much of this as another grain-based contract, correct? 11 11 you like, but if you go to the page that reads or the A One of the ways. 12 12 Bates number ends 166. Do you see that? Q Okay. But you don't know whether, in fact, 13 13 A Yes. they did that? 14 14 A I don't recall. I don't remember because I Q You have a price outlook. And the second 15 15 bullet reads: Based upon past history -- oh, I'm was phasing out and... 16 16 MR. GREENE: All right. Why don't we take a 17 17 First bullet says: Current depressed prices break. 18 18 can be sustained till Q1 2007. Do you see that? MR. MURRAY: All right. 19 19 THE VIDEOGRAPHER: The time is 12:34 p.m. A I do. 20 Q Okay. And then it says: Based upon past and we're going off the record. 21 21 history, production is expected to be curtailed by (Whereupon, off the record.) 22 22 early 2007. Do you see that? (Whereupon, lunch recess.) 23 A I do. 23 24 Q When this happens, egg prices can go up 24 25 sharply. Did I read that right? 159 161 AFTERNOON Yes. SESSION Q And then next line reads: Historically, egg (Whereupon, resumed.) prices have rebounded strongly after staying depressed THE VIDEOGRAPHER: The time is 1:21 p.m., for extended period of time. Do you see that? and this is DVD No. 3 of the continued video A I do see that. deposition of Mr. Ramesh Daga. Q It was your expectation that egg prices were BY MR. GREENE: due to rebound strongly? Q Good afternoon, Mr. Daga. A That's what I felt back then. Good afternoon. Q You understand you're still under oath? Q All right. And you were saying: For 2007 egg prices expected to move towards historical normal A Yes. 11 Q Did you discuss your testimony with anyone by second half 2007. Do you see that? 12 12 A I do. over lunch? 13 13 Q And then for 2008 egg prices are expected to 14 14 go higher than historical normal. Do you see that? MR. GREENE: This is Daga Exhibit 15, I 15 15 16 16 By the way, is the individual on the phone? Q You were expecting an increase in the price 17 17 MR. MOODY: I am. Thank you. of eggs, right? 18 18 MR. GREENE: Okay. Welcome back. A That's what it says. 19 19 Q Okay. And I think you testified before when Daga Exhibit 15 is CPCEGED00066832 20 20 you were looking in 2003, one of the motivations for through -- the staple is in an unfortunate 21 21 entering into the grain-based contract in 2003 was that you were expecting prices to increase, right? (Supplier Segmentation PowerPoint, Bates 23 A That was one of the motivation, that's CPCEGED00066832 to CPCEGED00066838, marked as 24 Daga Exhibit 15, as of this date.) correct. Q And that was a risk management strategy to

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42 (Pages 162 to 165)

162 164 BY MR. GREENE: that the supplier fits into our multiproduct, Q Mr. Daga, do you recognize Exhibit, Daga multi-category strategy. If the supplier only supplies the yolk, then that's a narrow scope. That's Exhibit 15? A Ido. only to ice cream business. But if supplier supplies Q What is it? not only yolk but whole food, whole eggs, dry eggs, A It's a Supplier Segmentation PowerPoint. blending, mixing, then that fits into multi-category Q Okay. And what is a Supplier Segmentation strategy. Q So is a supplier that provides the whole A Similar to how we segmented the eggs before spectrum of egg products more valuable to Conopco than 10 10 put that in upper right-hand quadrant for eggs. We do a supplier that merely can provide one particular 11 11 the same for supplier. Where the supplier belongs niche? 12 12 using more or less the same logic in segmentation, so A Not necessarily. 13 13 put that in, put them in the same 2-by-2 quadrant. Q Well, why --14 14 A You need both types. Q So the other quadrant we looked at had to do 15 15 Q What would be the value of being able to with evaluating the product? 16 A Correct. provide all the products? 17 17 Q And this is evaluating the supplier? A Then you have volume. You have much larger 18 18 A Correct. relation with them, so that's where you form a longer 19 19 Q And why would that be a different exercise? term contract. A It can be different because one is for Q Under Market Breadth, the last bullet says: 21 21 Besides MF, there is only one other company with product and one is for supplier. The name may not be 22 22 nationwide distribution coverage. MF there is Michael exactly the same. 23 23 Q Why would they be different? Foods? 24 24 A Because, say, if your egg is your important A Correct. 25 25 material, you put them up in upper right-hand corner. Q And does this bullet refer to egg products? 165 Then you match a supplier with that. The supplier may A Correct. or may not be in the right-hand column, it may be put Q Okay. So in this bullet you're saying somewhere else, it depends upon the capability. there's only one other egg products company with Q Okay. Again, you're able, as with all these nationwide distribution coverage? exhibits, to look at any part you want. A Correct. The cover on this reads Supplier Q What does nationwide distribution coverage Segmentation, Michael Foods, Egg Products, January mean? 2006, Ramesh Daga, correct? A It means they can reach and ship product to wherever we have factories, wherever we have our A Correct. 10 Q And at this point in January 2006 Michael needs. 11 11 Foods was your largest egg product supplier? Q And why is that valuable? 12 12 A Correct. A It's value in one-stop shopping really. 13 13 Q And I want to take a look at the page that, Q And so if you need a product in multiple 14 14 I guess it's page 5 of the PowerPoint. places throughout the country you can get the same 15 15 Scope Positioning. What does scope product from one supplier, correct? 16 16 A Same product from same supplier. positioning mean? 17 17 A How deep is Michael Foods in the scope of Q Right. And that's valuable? 18 18 either geography or product they provide. Yeah. So A That's important consideration. 19 are they located in just, say, one city, one small Q Yes. And who was the other company you're 20 sector they cover or they cover a variety of sectors, referring to a nationwide distribution company? 21 21 variety of industries, so breadth and depth of Michael A I might have meant here Rose Acres, although 22 Foods. I can't tell you for sure. 23 Q Okay. And why is breadth and depth of a Q And other than Michael Foods and perhaps 24 24 supplier important to Conopco? Rose Acres, you were not aware of any other companies, 25 A It's important because we want to make sure egg product companies that had nationwide distribution

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43 (Pages 166 to 169)

1 coverage? 2 A Correct. 3 Q If you could switch to page 7. 4 A (Complies.) 5 Q And there's a page that says Relationship 6 Attractiveness. What are sort of the capabilities 7 that made an egg product supplier attractive to 8 Conopco? 9 A So multi-location. Multiproduct offering. 10 Many sites. And the financial depth. 11 Q The what depth? 12 A How strong are they financially. 13 Q Why is that important? 14 A It's important because it's important 15 supplier to us we want to make sure that they are 16 financially sound. 17 Q Okay. You write here and this is	166	168
A Correct. A Complies.) A Corpolles.) A Corpolles. A Corpolles.) A Corpolles. A Corpolles.) A Corpolles. A Corpole		
A Compiles.) A Compiles.) A And there's a page that says Relationship Attractiveness. What are sort of the capabilities that made an egg product supplier attractive to Conopco? A So multi-location. Multiproduct offering. Many sites. And the financial depth. C The what depth? A How strong are they financially. Why is that important? A How strong are they financially. C Why is that important? A Why is that important? Supplier to use we want to make sure that they are financially sound. C Ookay. You write here — and this is Supplier Segmentation - Michael Foods — Value of Supplier to Unliever. And you write: Large supplier with multi-manufacturing facilities. What did that mean? A Which one? Which one is that? C I'll start again. Supplier — we're on page 167 A Yeah. C Okay. And we're within, just for reference, Exhibit 15. A Correct. C Okay. And we're within, just for reference, Exhibit 15. A Correct. C Okay. And that's valuable to Use. C And that's not the case with all egg products companies, is it? A Not all of them. A Not all of them. A Not all of them. A That's what I meant they have many sites and many locations. C Okay. And that's not the case with all egg products companies, is it? A Not all of them. A That's what I meant they have many sites and many locations. A Not all of them. A Not all of them. A That's valuable to us. A Not all of them. A They are good customer service.		
A (Compiles.) Q And there's a page that says Relationship Attractiveness. What are sort of the capabilities that made an egg product supplier attractive to Conopco? A So multi-location. Multiproduct offering. Many sites. And the financial depth. Q The what depth? A How strong are they financially. Q Why is that important? A It's important because it's important supplier to use want to make sure that they are financially sound. Q Okay. You write here and this is Supplier fou sew awant to make sure that they are financially sound. Q Okay. You write here and this is Supplier Segmentation - Michael Foods Value of Supplier to Unilever. And you write: Large supplier with multi-manufacturing facilities. What did that mean? A Yes. Q I'll start again. Supplier we're on page 167 7. A Yeah. Q Supplier Segmentation - Michael Foods Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And hat's valuable to Conopco? A That's what I meant they have many sites and many locations. Q Okay. And that's not the case with all egg products companies, is it? A Not all of them. A They are good customer service.		
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Concopco? A So multi-location. Multiproduct offering. Many sites. And the financial depth. A How strong are they financially. Q The what depth? A It's important because it's important supplier to use we want to make sure that they are financially sound. Q Okay. You write here and this is Supplier to Unilever. And you write: Large supplier with multi-manufacturing facilities. What did that mean? A Which one? Which one is that? Q I'm on top. I'm A Yeah. Q Supplier Segmentation - Michael Foods Walve of Supplier to Unilever. Roughler we're on page 167 To. A Yeah. Q Supplier Segmentation - Michael Foods Walve of Supplier to Unilever. Sires bullet. Value of Supplier to Unilever. Do you see that? A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A Correct. Q Okay. And we're within, just for reference, Exhibit 15. A That's what I meant they have many sites and many locations. A That's what I meant they have many sites and many locations. Q Okay. And that's valuable to us. Q Okay. The next bullet says: Extremely customers service oriented - from top to bottom. What did you mean by that? A Thay are good customer service. What depth? A New and the financially. Was there an answer that included the word certificate? A Audit. Audit certificate. Q Ad a dudit certificate. Q Awa thera is an audit certificate? A Wetypically deploy a third-party quality and undit company who gand audit the supplier sate and ergulation and good manufacturing practice, especially for egg business it's very important. Which cone? Which one is that? Q Why is it important in the egg business? A Geause and regulation and good manufacturing practice, especially for egg business it's very important in the egg bas tendency of very short shelf life, so it has a lesser tolerance of very short shelf life, so it has a lesser tolerance of very short shelf life, so it has a lesser tolerance of very short shelf life, so it has a lesser tolerance of very short shelf life, so it has a lesser toleran	Attractiveness. What are sort of the capabilities	agenda, whatever our corporate needs are, whether we
A So multi-location. Multiproduct offering. Many sites. And the financial depth. Q The what depth? A How strong are they financially. A It's important because it's important supplier to us we want to make sure that they are financially sound. Ye Go Cay. You write here — and this is Supplier to Unilever. And you write: Large supplier with multi-manufacturing facilities. What did that mean? A Which one? Which one is that? A Which one? Which one is that? A Wash. Q I'll start again. Supplier — we're on page 167 A Yeah. Q Supplier Sugmentation — Michael Foods — Value of Supplier to Unilever. Do you see that? A Yeah. Q Supplier to Unilever. Do you see that? A A Okay. Correct. Q Cay. And we're within, just for reference, Exhibit 15. A Correct. Q Chay. And we're within, just for reference, Exhibit 15. A Correct. Q Chay. And we're within, just for reference, Exhibit 15. A Correct. Q Chay. And we're within, just for reference, Exhibit 15. A Correct. Q Chay. And we're within, just for reference, Exhibit 15. A Correct. Q Chay. And that's valuable to Conopco? A That's what I meant they have many sites and many locations. Q Chay. And that's valuable to conopco? A That's valuable to us. Q Chay. The next bullet says: Extremely customer service oriented - from top to bottom. What did you mean by that? A Thay are good customer service.	that made an egg product supplier attractive to	need addit certificate, we need different types of
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Daga, Ramesh

March 11, 2014

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170	172
they were extremely customer service oriented from top	approached others.
to bottom?	Tou welent aware or any others:
A Delivering product to us, to our factory on	A 1"
time. Gervicing our plants on time.	WR. WURRAT. Objection. Asked
Q Anything else you can think or?	A we never approached.
A That's one of the important and major the	Q Onnie
service part of the business.	A we never approached.
Q 50 you're taiking about quality and	Q Okay. What about new technology?
unicinicos:	A mat s what enzyme new technology is.
A Tillicilliess.	Netali and 1000 service capabilities, what
And Michael Foods was strong on both of	was triat?
11036 :	A 30 they are supplying us in retail side of
A Confect.	our business. They could also supply us on the root
Q Okay. The flext bullet says illiforation	Service side of the business as well, if we wanted to.
capability. Hew technology, retail and lood service	And that was valuable that capability:
capabilities. Let's take those one at a time.	A Correct.
virial was what is inhovation capability:	Wilett you say they le supplying on the letail
A illitovation as illitovation that means	Side of the business, what do you mean:
different technology to process eggs. Different type	A Tremmann's is considered retail side of it
or eggs. Tes, just here a couple of examples.	where we sell to consumers. I dod service is we sell
Willat were examples that you can recall where	we are restaurant.
Michael 1 0003 demonstrated innovation capability:	What's all example of products that you sell
A Frocessing eggs we are using unrerent	to restaurants using witchaer roods:
technology which can be valuable to officever.	A mayormaise pouch you see on the sandwich
Q Can you give me an example of a technology	store. Like the food service packet.
171	173
that Michael Foods provided that was valuable to	Q Leaving aside Michael Foods specifically.
² Unilever?	² What are the most important factors in
³ A For example, they had a case where they can	3 selecting an egg product supplier from your
process eggs by using enzyme.	perspective?
⁵ Q Okay. And can you explain that? What does	5 A The points I mentioned earlier; quality,
it mean to process eggs using enzyme?	service, price, size, location.
A They use a processing egg. I'm not a	7 MR. GREENE: Exhibit 16. This is
8 technical person, so I'm not the subject matter	transactional data, so I'll try to describe it.
expert. These are the quality-to-quality meetings	This is a printout for what appears to be
here, but by using enzyme that was valuable to	Unilever Owensboro purchases of SKU 83006690 from
Unilever. We chose not to do that way for different	¹¹ 2003 to 2008.
reasons, but the fact that they had that capability	The common factor on this is the material in
that was important to us.	column one, two, three, four, five, six
¹⁴ Q Did you withdrawn.	there's a column that says Material, and that
Anything else that you can think of where	should all be 83006690 throughout the exhibit.
they demonstrated innovation capability?	The first date is December 19, 2003, the
A That's one of the examples I can think of	last date December 9, 2008.
really right now, off my head right now I can't think	MR. MURRAY: Again, this is something you
of anything.	culled out of the data that we produced?
Q Other than the enzyme?	MR. GREENE: I don't think so, no. This
A Correct.	comes from the Bates ID CPCEGTD, which I think is
Q Did any other, to your knowledge, did any	transactional data, 0000001 exported natively
other egg products company offer enzyme-modified egg	from the Joint Document Repository.
products?	MR. MURRAY: And then you ran a different
A To the best of my knowledge we never	query on that to create this document?
	qualify an anal to ordate this department:

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45 (Pages 174 to 177)

	45 (1 ages 174 to 177)
174	176
¹ MR. GREENE: Right. The query on this one	¹ A This application.
that produces this document is the material	² Q This application?
³ number.	³ A For this business.
4 MR. MURRAY: Okay.	⁴ Q Okay. So in this instance Michael Foods'
⁵ MR. GREENE: 83006690, and the date is 2003	5 technical capability regarding enzyme modified egg
⁶ to 2008.	⁶ products that you testified before led you to
MR. MURRAY: Okay. We have the same	purchases of enzyme modified egg products?
⁸ reservation.	8 A Correct.
⁹ MR. GREENE: Understood.	⁹ Q What was the advantage of the enzyme
¹⁰ (Transactional Data Spreadsheet, Bates	modified aspect of this egg product that you bought
CPCEGTD00000001, marked as Daga Exhibit 16, as	for the Owensboro plant?
of this date.)	A I'm not a subject expert on the quality
MR. GREENE: What are we on, Exhibit 16?	side, so I do not know. But research people they
14 THE COURT REPORTER: Yes.	decided that this is a beneficial for pasta sauce
15 BY MR. GREENE:	business.
Q Mr. Daga, do you recognize this product?	Q Okay. The research people decided?
A Yes.	A Correct.
Q Okay. First of all, these are all all of	Q And to your recollection was anybody else
these show deliveries to Owensboro, Kentucky, correct?	offering you a similar enzyme modified egg product?
A Confect.	A We did not go to anybody else.
Q Okay. And you told me before that that's a	Q As you sit here today, are you aware of
place where they produce what?	anybody who was able to sell enzyme modified egg
A Pasia sauce.	products prior to 2009:
Q Pasta sauce. Okay. And under what trade	A I don't know.
25 name?	²⁵ Q You mentioned research and development
175	177
¹ A Ragu.	people. Did did you work with research and
² Q Ragu. Okay. But Conopco is still the	development people at Conopco regarding the purchase
buyer, correct?	³ of egg products?
⁴ A Correct.	⁴ A That same building, yes.
5 Q All right. And you'll see that over a	Description of the state of the
period of time we've got five pages of transactions	did you work with them? I mean, what was the nature
for egg yolk for a material that's described as egg	of your communications with them?
8 yolk liquid enzyme modified.	A They're my business partner, so we both
9 A Correct.	⁹ support each other, indeed working with them letting
¹⁰ Q Okay. Do you know what this product is?	them know what supply they should work, and they work
11 A It's a yolk.	with the supplier to work a product.
Q Okay. And how is it is this an example	Q Now, in your experience did Michael Foods
of an enzyme modified egg product?	also have research and development people?
14 A Correct.	¹⁴ A Yes.
¹⁵ Q And you testified before about, when you're	¹⁵ Q Okay. And were you involved in either
talking about innovation and technical capability, is	conversations or email correspondence where the
this an example of the enzyme modified egg products	Conopco research and development people communicated
18 you were talking about?	with the Michael Foods research and development
19 A Correct.	19 people?
²⁰ Q Okay. And it appears, at least as to this	A In some cases I may have.
product, that you did, in fact, go forward and	Q Do you recognize do you know the names of
purchase the enzyme modified egg products from Michael	any other Michael Foods research and development
Foods for this plant, correct?	²³ people?
A Correct.	²⁴ A No.
²⁵ Q Okay.	²⁵ Q Mr. Jonathan Merkle, does that name ring a

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46 (Pages 178 to 181)

	178	180
1	bell?	¹ A Correct.
2	A Correct.	² Q And the only return they were getting on
3	Q He's a Michael Foods research and	3 that is the price?
4	development person?	⁴ A Correct.
5	A Correct.	⁵ Q And you understood the price from their
6	Q Do you recall working with a Hershell Ball?	⁶ perspective would need to include all their costs
7	A He was, correct.	including research and development, correct?
8	Q Michael Foods research and development	⁸ A It's up to them how they put research and
9	person?	⁹ development costs in their pricing model.
10	A Correct.	Q But you would assume one way or the other
11	Q Okay. And in the projects that you were	they're looking to recover the cost they're spending
12	aware of, what were the Michael Foods research and	on your work, right?
13	development people asked to do by Conopco?	A That's a logical
14	A Develop a product.	MR. MURRAY: Object to the question. Calls
15	Q Develop a product. Work scientist to	for speculation. You can answer, if you know.
16	scientist on the product, would that be fair?	A I don't know how they allocate the cost to.
17	A Quite possibly.	Q In any event, Conopco didn't pay them
18	Q Okay. Test products, was that one of the	separately for those services?
19 20	things they were required to do?	A Correct.
	A Quite possibly.	l is corropce a member of any industry groups
21	Q Develop new specifications?	like the Food Marketing Institute? Let me start with
23	A Quite possibly.	liiat one.
	Q In some instances develop customized	is corropco a member of the rood Marketing
24 25	products for Conopco?	24 Institute?
25	A Quite possibly.	A I don't know.
	179	181
1	Q All right. Some of the products that	Q Do you recognize the name? Do you know what
2	Conopco brought from Michael Foods were customized for	the organization is?
3	Conopco, correct?	³ A No.
4	A Correct.	⁴ Q Never heard of it?
5	Q They weren't off-the-shelf products	⁵ A No.
6	available anywhere else?	⁶ Q Is Conopco a member of any other trade
7	A No.	7 associations that include other food manufacturers?
8	Q The only they were unique products for	8 A So Unilever is a member of Grocery
9	Conopco?	9 Manufacturers Association. It's called GMA.
10	A Some of them.	¹⁰ Q Okay.
11	Q Some of them were. When the Michael Foods	A So that goes under the name of Unilever.
12	research and development people would work on one of	Q Is that Growers Manufacturers Association?
13	these projects, would Conopco pay them some kind of	¹³ A Association.
14	hourly fee for their time?	Q And what is who are the members of the
15	A No.	¹⁵ Grocers Manufacturers Association?
16	Q How would they be compensated for the	A Fast-moving product company like ourself.
17	services they were providing?	Q Do you happen to know examples of other
18	A I don't know.	companies that would be members of?
19	Q You just paid the only thing you ever	¹⁹ A I don't know the names. I don't participate
20	paid to Michael Foods was the price of the product?	in there, but companies who are in our peer group.
ll .	A Correct.	²¹ Q Peer group. What is your peer group?
21		²² A Fast-moving product company
	Q So from your perspective, whatever research	²² A Fast-moving product company.
21	Q So from your perspective, whatever research and development resources Michael Foods was offering,	23 Q So these would be if I'm understanding
21 22		A rust moving product company.

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182	184
shelves, would that be a fail description of what	conversation?
we're taiking about:	A Not for GMA. If I did, I talk to people will
A Correct.	are member of GMA, that happens in usual course of
Q You know, in this case some of the other	 business. It happens every week. Q But not about GMA activities? Withdrawn.
plaintins are Krant, Kellogg, Nestie, General Willis,	Q But not about GiviA activities? Withurawn.
would those be companies you'd consider in your peer	Do you talk to them about GMA activities?
group:	 A Do I talk to? I don't recall having a reason to talk, although I have independent knowledge
A They are in the peer group, yes.	reason to talk, although i have independent knowledge
Q Do you know it they le a member of Grocers	of GWAS, who are the members. Tou know, so I know
Manufacturers Association:	What GIVIA does.
A I don't know.	What does GIMA do!
Arry other groups that you can think of that	A They re the association of grocery
Corropco is a part or:	manufacturers, people like ourserves, so.
A They may be, but I don't manage these	And rasked what do they do. Theath, what
associations, so ruon t.	is what are the topics they address:
And did you have any personal involvement	A ilidustry common issues. Codid be
Will Glocers Manufacturers Association:	environment. Could be sustainability. Could be these
A NO.	type of industry. Common issues.
Did you have any involvement with corropco's	Did GiviA address the issue of affilial wellate:
representative to the Grocers Manufacturers	A I don't know.
ASSOCIATION:	Let's talk about Corropco ariiriai wellare.
A ili our organization probably we dear with	And I want to, I want to sort of divide our discussion
many people	into a pre-2000 period and 2000 going forward.
(whiereupon, request to repeat.)	Filor to you were the egg buyer for
A In our organization we deal with all kinds	²⁵ Conopco from 2002 to 2007?
183	185
of people, so somebody in our organization I may have	A Correct.
dealt with who may be dealing with the GMA.	Duning that period, did you become aware or
³ Q I'm asking, I'm asking if you remember in	any initiatives or announcements within Conopco about
⁴ particular dealing with the Conopco's representative	the subject of animal welfare?
5 to the GMA?	5 A There was talk about animal welfare
A So you're asking the same question, you're	6 internally in our company.
asking the have I dealt with the Cohopco rep in GMA?	Q When did you first when do you first
⁸ Q Yes.	recall the topic of animal welfare coming up in your
9 A I may have.	9 company?
Q But you don't recall?	A I don't recall that.
A we talk with various people in our company,	was it at the outset, the earlier part of
30 it 3 quite possible the person who i dear with in	your terrure as egg product buyer:
marketing or business side of it may have been member	A Tuon trecan.
14 of GMA.	Q What do you remember about the company
15 Q Right.	discussion of animal welfare?
Membership is at the company level, the	A mat there's such program for animal
corporate level.	welfare. Yeah, it's my PowerPoint to increasing the
Q Night. And you may not recall, and that's	cage size from whatever it was to higher cage numbers.
line, what i'm trying to find out is. Did you talk to	Q Okay. That's the OLT, the Officed Egg
the company's representative to the Glocers	1 Toddeets Attitual Wellare 1 Togram:
Manufacturers Association about what was going on in	A mats Aminal Wellale Flogram.
the Grocers Manufacturers Association?	Q Right. Before we get there, and I'm going
	1 22
A I have no reason to talk what happens in	to get there, I want to ask more generally about the
 A I have no reason to talk what happens in GMA. 	to get there, I want to ask more generally about the topic of animal welfare.
A I have no reason to talk what happens in	to get there, I want to ask more generally about the

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188 186 animals other than layer hens, right? hens, any corporate statement, announcement of A Right. principles relating to animal welfare that you recall Q Do you recall any discussion within the being announced after you had already started as egg company about the company's principles or interest in products buyer. A Ben & Jerry went to cage-free eggs. Was animal welfare generally? A So we obviously have corporate agenda, there a public announcement, I don't recall, there may corporate policy to treat animal/human being have been one. environment in a responsible way, so it's part of our Q Not layer hens. Apart from layer hens. overall corporate agenda. 10 10 Q So your corporate agenda has included Do you recall anything else, any other 11 11 treating animals responsibly from all the way back to company policies regarding animal welfare? 12 12 2000 when you started as egg product buyer? A I don't remember, but I, I will not be 13 13 A I don't recall then. I can't tell you what keeping track of those. 14 14 specifically, but as a responsible citizen we are Q Okay. All right. 15 15 MR. GREENE: Let's mark the protective order abiding by -- we abide by all corporate laws and 16 regulations wherever we operate treating environment as Daga 18. 17 17 responsibly. (Protective Order marked as Daga Exhibit 18 18 Q Well, apart from complying with the law, do 18, as of this date.) 19 19 you recall any discussion with Conopco on the subject (Email, Bates MFI0364924, marked as Daga 20 20 of animal welfare standards? Exhibit 17, as of this date.) 21 21 A There have been talk about animal welfare MR. GREENE: Mr. Daga, in some instances I'm 22 22 standard, so that includes all animal whether it is going to be showing you documents that were not 23 eggs, chickens, cows, you know. 23 produced by Conopco. They're marked as either 24 Q Is there some policy somewhere about animal 24 confidential or highly confidential under the 25 25 welfare standards in the company? protective order. I'd like you to look at the 187 189 protective order, and if you're agreeable with A May -- there may be, I'm not -- I don't know if we have animal welfare policy somewhere or not the confidentiality provision, please sign Exhibit A at the end, and we'll make that signed really. A long time we adopt industry policy rather than developing our own policy. version your Exhibit 18. Q Did anything -- do you recall anything at THE WITNESS: I need to consult my counsel the company level changing regarding the company's on this before I sign this. MR. GREENE: Let's take a break. policy on animal welfare generally after you started THE VIDEOGRAPHER: The time is 1:55 p.m. serving as egg products buyer in 2000? A Ben & Jerry's business we moved to cage-free We're off the record. eggs, and we still are. And so is Hellmann's, they're (Whereupon, off the record.) 11 moving to cage-free eggs. So that fact itself tells (Whereupon, resumed.) 12 12 you that we have transformed our policy from wherever THE VIDEOGRAPHER: The time is 2:01 p.m. and 13 13 we were to cage-free eggs. we're back on the record. 14 14 Q And in terms of in the company, any general BY MR. GREENE: 15 15 company policy about animal welfare generally, do you Q Okay. Mr. Daga, I had showed you Daga 16 16 recall anything changing in that regard after you Exhibit 18, which is the protective order in this 17 17 case. 18 18 A Okay. A The cage-free eggs movement came after I 19 19 left or just when I was leaving. Q We're going to be showing you some documents 20 Q Okav. that Conopco didn't produce that have your 21 A At that time the cage free was just about to 21 correspondence included with them. And because 22 come in. they're not Conopco documents, out of an abundance of 23 Q And I'm going to talk about the egg caution, we've asked you to sign the acknowledgment 24 24 products. We'll get to those documents. I'm actually and protective order. And looking at Exhibit 18, the asking if there was anything beyond just the layer protective order, you had a chance to review that,

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	190	192
1	correct?	¹ A It may have.
2	A Correct.	² Q May have?
3	Q And you signed that protective order?	³ A May have.
4	A Correct.	⁴ Q Were you not made aware of differences
5	Q And agreed to the confidentiality	between the product preferences of Ben & Jerry's and
6	provisions?	⁶ Conopco's?
7	A Correct.	A In terms of product they both bought yolk.
8	Q All right. Let's go back then to	8 Ben & Jerry bought yolk. Conopco bought whole eggs
9	Exhibit 17.	⁹ and yolk and dry powder and egg white.
10	MR. GREENE: Kevin, did I give you 17?	Q My question is: Even as to the same
11	MR. MURRAY: Yes.	product, even if it's yolk, Ben & Jerry's would buy
12	Q And 17 is MFI0364924. Do you see that?	yolk, I assume Conopco would buy some yolk, too?
13	A I do.	¹³ A Correct.
14	Q Okay. And this is, first, it appears to be	Q As to that yolk purchase, did Ben & Jerry's
15	two emails. The one on the bottom Tom Boland to	have different criteria for the selection of suppliers
16	Ramesh Daga copying Debra Heintz and Earle Jarden,	than the rest of Conopco?
17	April 17, 2002. Do you see that?	A As far as product is concerned, it is yolk
18	A Correct.	product. Egg yolk is egg yolk.
19	Q Did you receive this email from Mr. Boland?	Q What about the selection of the supplier?
20	A It looks like it came from Tom to me.	A We choose in purchasing what supplier we
21	Q Who is Mr. Boland?	should work with.
22	A He is at Ben & Jerry.	Q And so in your experience there's never been
23	Q And Ben & Jerry is one of the companies that	any difference between the preferences expressed by
24	you purchased egg products for, correct?	Ben & Jerry's management versus Conopco management?
25	A Correct.	A Ben & Jerry, they have their own philosophy,
	191	193
1	Q Now, can you explain the relationship	own policy. They have more social mission.
2	between Ben & Jerry's and the rest of Conopco?	² Q Okay. Can you explain that, the social
3	A Ben & Jerry's sister company of Conopco.	³ mission?
4	Q So do they make some of their own decisions	A So Ben & Jerry operate on, for example, more
5	regarding product purchasing?	on that they are the first one who move to cage-free
6	A Not really.	eggs, non-genetically modified product. So that's
7	Q No?	their social mission they operate.
8	A No.	8 Q And even before that would you describe them
9	Q So they buy the same products as Conopco	⁹ as trying to distinguish themselves as more socially
10	does?	10 conscious?
11	A They don't buy a product. We buy on their	A Unilever bought Ben & Jerry somewhere in
12	behalf.	early 2000, and before that I'm not aware of what was
13	Q I see. Okay. Who makes the decision as to	13 their agenda.
14	what products will be bought for Ben & Jerry's?	Q All right. So Mr. Boland sends you this
15	A So they tell us, they have a specification,	email. And do you know who Debra Heintz is?
16	they tell us what to buy. We decide who to buy.	¹⁶ A Debra Heintz probably was at Ben & Jerry.
17	Q And Ben & Jerry's management may make	Q But you don't recall?
18	different decisions about what it wants to buy than	A I don't recall now, but I believe it does.
19	Conopco management, correct?	¹⁹ Q Earle Jarden?
20	A Different specification.	²⁰ A He's in procurement.
21	Q Right.	²¹ Q At where?
22	A Different business.	A In purchasing of Conopco.
23	Q Right. In your experience, did Ben &	²³ Q Conopco. Okay. And here it says April of
24	Jerry's have different criteria for the egg products	24 2002. It says: Ramesh: As a result of the most
25	that it purchased than the rest of Conopco?	recent information about treatment of chickens, Ben &
11	and a parondood than the root of compos:	. 355 K III O III G G G G G G G G G G G G G G G

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194 196 CPCEGED00071680, marked as Daga Exhibit 19, as Jerry's would like to understand if Papetti's is complying with the McDonald's directives on the appropriate treatment of chickens. MR. GREENE: Daga Exhibit 19 is CPCEGED00071679 to 680. Please provide your feedback so we can BY MR. GREENE: understand if Ben & Jerry's egg products are covered Q And you'll see that Exhibit 17 we just by the McDonald's standards. In addition, NPR did a discussion yesterday on the treatment of chickens. looked at was dated, your email to Mr. Brommer and Do you recall what Mr. Boland was talking Mr. Catherman was dated April 17, 2002. about? A Okay. 10 This is April 19, 2002, two days later. Did A The email says, so that's what I see there, 11 11 but I don't recall. you receive this email from Mr. Catherman? 12 12 Q All right. Well, let's take it. Let's A Looks like it came from Catherman to myself. 13 13 Q Right. And he writes -- you can read any break it down. 14 14 Do you know who -- what the McDonald's portion of it. It says: Our current supply to Ben & 15 15 Jerry's does not meet the McDonald's standard as directive on the appropriate treatment of chickens 16 16 request in your email. 17 17 A I don't know what appropriate treatment was, We have approached this issue on a 18 18 I assume it has something to do with the animal care. customer-by-customer basis meeting their inquiries and 19 19 Q Did you become aware in early -- around 2002 requirements. Do you see that? 20 20 of McDonald's making any kind of announcement relating A I do. 21 21 to the treatment of layers? Q Does this refresh your recollection on -- on 22 22 A I don't recall. the inquiry regarding whether -- withdrawn. 23 Q You don't have any recollection of that? 23 Did you understand based on this email that 24 A No. 24 there was a McDonald's standard relating to animal 25 25 Q And the reference here to Papetti's, do you welfare? 195 197 know what that's a reference to? A As per the email, I see that it is standard. A Correct. Q Right. Did you have -- did you have some understanding when you received the email what was the Q What is Papetti's? A Division of Michael Food. McDonald's standard? Q Division of Michael Foods. Okay. A No. And so you took this email and you forwarded Q You didn't understand at the time? A I don't recall that I did or did not really. it to John Brommer and Toby Catherman, correct? Q Well, did you follow-up and ask, gee, I A Correct. Q And asked for your comments on following don't know what the McDonald's standard is? 10 10 please? A I may have. 11 11 Q In any event, Michael Foods is telling you A Correct. 12 12 Q Mr. Brommer and Mr. Catherman worked for that as a general matter they were not in compliance 13 13 with the McDonald's standard, they approached the Michael Foods? 14 14 A Correct. issue on a customer-by-customer basis, correct? 15 15 Q Okay. Why did you do that? A That's what the email says. 16 16 Q Okay. A They are my sales contact at Michael's 17 17 MR. GREENE: Daga Exhibit 20. And this is Foods. 18 18 CPCFGFD0085826 Q Why did you forward this message to them? 19 19 (Email, Bates CPCEGED00085826, marked as Because they are the supplier to Ben & Α 20 Jerry. Daga Exhibit 20, as of this date.) 21 BY MR. GREENE: Q So you wanted their response or reaction on this animal welfare correspondence, correct? Q The bottom e-mail I think is the one we've 23 A Correct. seen before, the April 17, 2002, inquiry from 24 24 MR. GREENE: 19. Mr. Boland, correct? (Email, Bates CPCEGED00071679 to A Correct.

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198 200 Q All right. And now you're writing back to A Good Humor Breyers. Mr. Boland copying Debra Heintz and Rich Connor, Okay. What is Good Humor Breyers? A It's our ice cream division. correct? Q It says: Nobody form UBFNA and GHB have A Correct. Q Okay. And now you're copying Mr. Connor, approached me on this matter as yet and it is a nonissue at this time. What did you mean when you and he's your supervisor at this point? A He was, yeah. said it's a nonissue at this time? Q He was not on the original correspondence to A This time what I meant to say is that only you? Ben & Jerry is making this inquiry. People from Correct. Hellmann's, pasta sauce, pasta, or Breyer ice cream Α 11 11 Q But you're copying him? companies, they are not approaching me on this issue, 12 12 A Correct. McDonald's standard. 13 13 Q And you sent this email, correct? Q And that's why you describe it as a 14 14 A It looks like it came from me. nonissue? 15 Q On or around April 29, 2002? A Correct. Α Correct. Q Okay. And you did not direct Michael Foods 17 17 Q It says: Tom, I further followed up on this to produce eggs in accordance with the McDonald's 18 matter with Michael's Foods and understand that while standard, correct? 19 19 following McDonald's policy is possible in theory, it A I don't recall that I did or did not. 20 is extremely expensive. Roughly it will cost anywhere Q You don't have any recollection of making 21 21 from 25 to 30 cents per pound more. This translates that instruction, do you? 22 into 875,000 to, I believe, 1,050,000 additional 22 A I don't have -- I don't recall I gave them. 23 23 yearly expense to B&J. Did I read that correctly? It has to be in the purchasing record. 24 A Correct. 24 Q Well, do you have any recollection of 25 25 Q Does that refresh your recollection on this authorizing these kind of additional expenses for 199 201 exchange? purchases? A I don't recall. Q The email continues: They need to dedicate Q Okay. Do you have any recollection of any enough chickens to meet your requirements and B&J's discussion of layer hen animal -- layer hen animal responsible -- will be responsible for a hundred welfare issues at Conopco between this correspondence percent of the production of those chickens. in 2002 and 2006? Michael Foods informed you that in order to A It was a topic which was discussed many times internally, so -- so yes, there were discussion comply with McDonald's standard it would be expensive, correct? about animal welfare. 10 A That's what his email said. Q Were you aware during that period that there 11 11 Q Right. And you were communicating that to was a program called the UEP Certified Program? 12 12 Ben & Jerry's? A I may have been aware later on. 13 13 Q All right. I think we looked at, some of 14 14 Q Telling them, this is, if you really want to the exhibits we looked at today were 2002 exhibits 15 15 do this, it's going to cost a lot of money? where you actually described the cage space. 16 16 A Correct. A Correct. 17 17 Q And at that time in 2002 did Ben & Jerry's Q Do you recall that? 18 make the decision to pay the extra money and go on A Cage space. 19 McDonald's standard? So you were aware of the program in 2002? 20 A I don't think so, but need to be verified. Of the cage requirement. 21 Q All right. You write at the end of the And you understood that meant more cage 22 email: Nobody from UBFNA and GHB. Can we just stop space per hen? 23 for a moment there. UBFNA, what is that? 24 24 A Unilever Best Food North America. And you understood Michael Foods was not a Q And GHB? part of that program, correct?

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52 (Pages 202 to 205)

	32 (1 ages 202 to 203)
202	204
¹ A We never asked them to be part of the	¹ support group.
² program.	² Q And he's sending this to Steve Vermeu
3 Q At that time?	³ Vermeulen?
⁴ A At that time.	⁴ A Uh-hum.
⁵ Q Right.	⁵ Q And who is Mr. Vermeulen?
6 MR. GREENE: Exhibit 21?	⁶ A He works for ice cream business. He's a
7 THE COURT REPORTER: Yes.	director in ice cream business.
8 (Email Exchange, Bates CPCEGED00086132 to	⁸ Q For Ben & Jerry's or Conopco?
9 CPCEGED00086134, marked as Daga Exhibit 21, as	9 A For ice cream business.
of this date.)	Q Okay. But we talked about Ben & Jerry's and
11 BY MR. GREENE:	Conopco. Is he do his responsibilities cover both?
¹² Q Take a look at Exhibit 21.	¹² A Correct.
¹³ A Okay.	Q Okay. So he's not specifically Ben &
MR. GREENE: This is, for the record,	14 Jerry's?
¹⁵ CPCEGED00086132 through 134.	15 A Correct.
Q Now, this appears this is a this is an	Q But Mr. Scheidt is Ben & Jerry's?
email string from January of 2006, correct?	A Correct.
email string from January of 2000, correct:	A Confect.
A LOOKS like.	Q All right. And this is copied to you? A Uh-hum.
Q Right. The hist email chronologically is	A Oli-liulii.
one from Tola Carlough to Faul Shapilo dated January	And it says. Sieve, Fel the hote below, we
10, 2000, at 3 p.m. Do you see mat:	have a potential issue on the egg yorks that you need
A 100.	to be aware or. We are being pressured by the
Q Okay. Do you know who Yola Carlough is?	National Humane Society to change our eggs to
A No, I don't.	cage-free birds. I've been speaking to Ramesh about
Q You met ever met Yola Carlough?	this and so far, we have no magic bullet. According
203	205 to the Humane Society, our current vendor is one of
² Q All right. And then there is in the middle	the worst regarding animal welfare. Do you see that?
of that an email from Paul Shapiro to Yola Carlough.	3 A I do.
4 Do you see that?	Q Okay. Do you recall in the beginning of
5 A I do.	5 2006 that Conopco and Ben & Jerry's started to receive
6 Q And Mr. Shapiro's signature block indicates	6 pressure from the Humane Society of the United States
that he's the manager of the Factory Farming Campaign	regarding the treatment of layer hens?
for the Humane Society of the United States, correct?	A My government relation people manage all
for the Fidinale Godlety of the Office Glates, correct:	
A mais what it says.	those things. I wash t my government relation
Q Tes, that's what the block says. Okay.	people they manage external arrains, I did not.
And, then, you're not on either of those	Q Right. But you're getting a copy of this
mot two emails:	cinal:
A mais confect.	A Thi getting copy of email for warded to me.
Q Now, the string is followarded to you by	Q Right. 30 you're you understand the
Daniel Scheidt, correct? Is that the right way to	email says quite, quite clearly, "we are being
pronounce the name?	pressured by the national Humane Society."
A Looks like.	17 A Uh-hum.
¹⁸ Q Do you know Mr. Daniel Scheidt?	¹⁸ Q So you became aware that Conopco and Ben &
¹⁹ A I do.	Jerry's were starting to be pressured by the Humane
²⁰ Q Am I pronouncing it correctly?	²⁰ Society?
A Correct.	A That's what the email says.
²² Q Okay. Who is Daniel Scheidt?	Q Right. And you received it at the time?
A He works at Ben & Jerry.	A I received the email internally.
Q Do you know what he does there?	Q Right. So you became aware of the pressure?
A He's part of purchasing group, purchasing	A I became aware of pressure.

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53 (Pages 206 to 209)

	206	208
1 ,		
·	Q Okay. And it looks like you said, "I've	you want.
Dec	en speaking to Ramesh about this."	30 Ben & Jerry's is now communicating to you
,	A Correct.	in February of 2000 they want their eggs produced in
 	Q So you were aware you had had some	accordance with the OLF Standard, correct:
uisc	cussions with Mr. Scheidt about this, correct?	A OLI Standard, correct.
l ,	A Quite possible.	Q Tean. They want they want the eggs that
·	Q All right. And one of the issues that the	they buy to be produced in accordance with the OEF
i iui	mane Society was raising to Ben & Jerry's and	Standard, right?
Col	nopco concerned Michael Foods, correct?	A Illat's what he says.
·	A That's what the email says.	And that would be a change, from an egg
l '	Q Is that is that your recollection?	buying standpoint, that would be a change in the
·	A That's correct.	nom the nom the egg products that you had been
ll '	Q When the when the email from Daniel	purchasing, correct:
301	neidt says "our current vendor is one of the worst	A Not for product, certification. It doesn't
l lega	arding animal welfare," did you have some	change the product.
und	lerstanding what he meant by "our current vendor"? A In terms of animal care, that's what they	Q It doesn't change the quality or the function?
l	ant. In terms of their record	18 A Correct.
	Q Right.	Q But you understood up until this point
ll '	A of animal care.	Michael Foods was not a UEP Certified vendor?
	Q Right. Did you know who he's referring	A That's what it says, yes.
	you have an understanding of who Mr. Scheidt was	Q So this would require a change in order to
	erring to when he said "our current vendor"?	get supplied with UEP Certified eggs?
	A Michael's Food.	A Correct.
	Q Michael Foods.	Q Either you would have to, Michael Foods
· ·	Wildiaer Foods.	C Littlet you would have to, whichael 1 oods
	207	209
1 4	A It says clearly here.	would have to become certified?
	Right. So you at this point understand the	² A Correct.
	nane Society is raising an issue about Michael	Q Or you'd have to go to another supplier?
	ds' treatment of layer hens?	4 A Correct.
	A Correct.	5 Q Which would require a change?
6	MR. GREENE: 22?	6 A Correct.
7	THE COURT REPORTER: Yes.	7 MR. GREENE: Exhibit 23?
8	MR. GREENE: Daga Exhibit 22,	8 THE COURT REPORTER: Yes.
9 C	CPCEGED00086142.	⁹ (Email Exchange, Bates CPCEGED00083571 to
10	(Email, Bates CPCEGED00086142, marked as	¹⁰ CPCEGED00083572, marked as Daga Exhibit 23, as
¹¹ C	Daga Exhibit 22, as of this date.)	of this date.)
	MR. GREENE:	MR. GREENE: Exhibit 23, CPCEGED00083571.
	This is an email you received from Daniel	To I'm sorry to 72. It's a two-page
	eidt February 6, 2006; is that correct?	document.
	A That's what it says.	15 BY MR. GREENE:
¹⁶ G		Q Now, the previous discussion about the
17	A No.	Humane Society concerned Ben & Jerry's, correct?
18 G	Okay. And Mr. Scheidt reports: In speaking	18 A Correct.
¹⁹ with	folks here, we have decided not to make cage-free	Q Okay. Now we're in April 3rd, 2006, and
20 eggs	s an issue for B&J for 2006. However, we would	this is an email you received from Tom Langan on April
	to get the UEP standard (at least) in 2007. Can	²¹ 3rd, 2006, correct?
²² you	speak with Michael Foods about whether they have	A Correct.
²³ any	interest in this? Do you see that?	Q Looking at the bottom. And it says Ramesh
	A I do.	and Sharyn. By the way, who is Sharyn Kolstad?
²⁵ C	lt goes on, you can read whatever portion	A I don't know.
	•	

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54 (Pages 210 to 213)

210 212 Q You don't recall. The subject line here is A Correct. Confidential: Humane Society - Hellmann's. Q Okay. And you write to Brommer, to John Paul Shapiro at the Humane Society called me Brommer: John, Per following, we are now being pressurized to be under compliance with UEP guideline. Friday afternoon to request a dialogue with Unilever This is not going to go away and it is best that MF regarding sourcing cage-free eggs for Hellmann's. I have some plans to be under compliance with UEP don't know how he got my name and number but nonetheless he will be sending me information on the guideline. Ramesh. Do you see that? Humane Society's program on hens. A I do. So at this point now in April you are Q And did you write that to Mr. Brommer? 10 10 Looks like I did. starting to hear about pressure from the Humane 11 11 Q And what did you mean by that? Society not only related to Ben & Jerry's but now 12 12 related to Hellmann's, correct? A What I meant here that they need to be under 13 13 A Correct. UEP compliance guideline. 14 Q Okay. And Langan asks you: Do you have any 14 Q Right. As the egg buyer for Conopco, you 15 15 open time period next week (week of April 10) for a wanted Michael Foods to comply with the UEP Certified 16 16 conference call to discuss developing and assessing a Program, correct? 17 17 corporate position on egg supply? Do you see that? A I wanted them to take a look at it, how can 18 18 A I do. they become compliant. 19 19 Okay. So this was starting to become an Q How can they become compliant. And this was 20 20 issue that was getting some significant attention at coming -- you initiated the subject with them, 21 21 correct? Conopco, correct? 22 22 A Looks like. A Correct. 23 Q Yeah. 23 Q They didn't come to you and say: We're thinking about joining the UEP Certified Program? 24 (Email Exchange, Bates MFI0109300 to 24 25 25 MFI0109301, marked as Daga Exhibit 24, as of A They may have on different communication. 211 213 Q Right. this date.) MR. GREENE: Exhibit 24? I don't recall. THE COURT REPORTER: Yes. Q But in this instance you're going to them MR. GREENE: Exhibit 24 is a document with and saying, as the buyer, it's best that Michael Foods two Bates numbers. I'm going to read the second have some plans to be under compliance with UEP? of them into the record. It's MFI0109300 to 301. A That's correct. BY MR. GREENE: Q Okay. And you wanted them to be in Q And you'll see that this is a -- this is a compliance with the UEP program so you could continue Michael Foods produced document. We may have missed to use them as a supplier, correct? it, but I could not find the Conopco version of this. A I wanted them to explore the possibility. 11 11 But you see this is, the bottom email is the I'm not directing them that they have to be. 12 12 document, is the email we've already looked at, Q Okay. Well, you didn't use the word explore 13 13 correct? in the email, right? What you said is, it's not going 14 14 A Correct. to go away. 15 15 Q From Mr. Langan to you and Sharyn Kolstad? A Correct. 16 16 Q And it says: It's best that Michael Foods 17 17 Q And then you forward that email to John have some plans to be under compliance with the UEP 18 Brommer at Michael Foods, correct? 18 guideline, correct? 19 19 A Looks like. A Correct. 20 Q Right. And by forwarding that means you 20 Q Okav. 21 21 MR. GREENE: Exhibit 25. forward it so that he can see the underlying email, 22 22 correct? (Email, Bates CPCEGED00083640, marked as 23 Daga Exhibit 25, as of this date.) 24 Q Because you wanted him to see Langan's email BY MR. GREENE: 25 about Hellmann's, correct? Q And this is now -- your email to

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55 (Pages 214 to 217)

216 214 Mr. Brommer, Exhibit 24, was April 4, 2006, and now Q Did you understand that at that time that we're in April 24, 2006, and you're writing to Jason Michael Foods would be able to deliver to you UEP Certified products without joining the program? Taylor. And we've established before Mr. Taylor is with Michael Foods, correct? A They can buy eggs from marketplace, UEP A Correct. Certified eggs. Michael Foods do not grow a farm all Q Okay. their eggs themselves. MR. GREENE: And, by the way, Exhibit 25, Q Was it your -- did anyone at Michael Foods I'm not sure I read into the record, is tell you that they were permitted to sell as UEP CPCEGED00083640. Certified eggs that they bought from other producers? 10 Q It's an email from you to Mr. Taylor, April A They had a license. 11 11 24, 2006. Q In April of 2006? Did someone tell you that 12 12 A Okay. Michael Foods had a license in April of 2006? 13 13 Q Right? And you say: Per our conversation A I don't know when, but Michael Foods they 14 14 could -- they could provide us UEP Certified eggs. last week, I'd like to confirm the following: 15 15 Egg products delivered at Ben & Jerry's Q After they joined the UEP Certified program, 16 location in Vermont should be UEP Certified products 17 effective 10/1/06. Do you see that? A They could do it before also, I think. 18 A I do. Q Is that right? Who at Michael Foods told 19 19 Q So you're now telling them, this is a change you they were able to deliver you UEP Certified eggs 20 in your ordering instructions, correct? before they joined the program? 21 21 A So they buy 70 percent of the eggs from A Correct. 22 22 Q Up until this point you had not insisted on marketplace. 23 **UEP Certified product?** 23 Q Correct. 24 A Correct. 24 Only farm 30 percent. 25 Q And now you are, in April of 2006, Ben & 215 217 Jerry's is insisting that Michael Foods deliver UEP A So they could sell from marketplace UEP Certified products for Ben & Jerry's, correct? Certified eggs. A Correct. Q I'm asking you: Before Michael Foods joined Q And in number 2 you write: It is our the UEP Certified Program, would they be able to sell intention to switch to UEP Certified products for rest the products as UEP Certified products? of our locations by Quarter 1 2007. Right? So now A Again I go back. They buy 70 percent of the eggs from marketplace. Those 70 percent of eggs could you're also communicating an intention that goes be UEP Certified. beyond Ben & Jerry's, right? A Looks like. Q Yeah, but -- well, withdrawn. 10 Q This would apply to all the volume for I want to make a distinction between two 11 11 Hellmann's, for Ragu, for all the other products, thinas. 12 12 correct? I understand that what you're saying is, 13 13 that Michael Foods could supply you, even as a 14 14 Q And you're telling them, it's your intention noncertified member, Michael Foods could go out and 15 15 to switch to UEP Certified products first quarter buy UEP Certified eggs. 16 16 2007? A Correct. 17 17 A Correct. Q Use those UEP Certified eggs to create egg 18 18 Q And you understood at this point Michael products, and then deliver you those egg products, 19 19 Foods was not a UEP Certified company, right? 20 20 A Correct. A Today they could do that. 21 21 Q Right, that's what you're referring to. Q Right. So you understood in order for Michael Foods to be able to comply with your request Correct. 23 for UEP Certified products, Michael Foods would need Q What I'm asking you is: Did Michael -- is 24 to join the UEP Certified program, correct? it your understanding that in April 2006 that Michael A Not necessarily. Foods had permission to represent to a buyer that

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56 (Pages 218 to 221)

218 220 from marketplace. They could buy UEP Certified egg those eggs were UEP Certified eggs or put the UEP Certified logo on that package? product from marketplace. The certification continues A I'm not saying that they could make the at the product level. representation, what I'm saying, they could do that if Q Did anybody from Michael Foods ever talk to they wanted to. Because they buy 70 percent of their you about the difficulties they had in getting a eggs from marketplace, so in theory they could buy UEP license to sell UEP Certified egg products as a Certified eggs from marketplace and give us UEP nonmember? Certified product. A I don't recall. Q Right, but I'm asking you about: Were they MR. GREENE: Daga Exhibit 26. This is 10 10 permitted to represent that the products were UEP CPCEGED00083641 to 43. 11 11 (Email Exchange, Bates CPCEGED00083641 to Certified products? 12 12 A That I cannot. CPCEGED00083643, marked as Daga Exhibit 26, as 13 13 MR. MURRAY: Objection. of this date.) 14 14 BY MR. GREENE: A I don't know. 15 15 Q And you see at the top of Exhibit 26 this is Q You don't know? 16 A Don't know. an email from Tom Langan to you on April 25th, 2006, 17 17 Q Okay. And if -- and if Ben & Jerry's is correct? 18 18 asking for UEP Certified products, your understanding A Looks like. 19 19 that what Ben & Jerry's was looking for were Q And you received this email? 20 20 certifications that these were, in fact, UEP Certified A Looks like. 21 21 products? Q Yeah. And he attached a letter from the 22 22 A That's correct. Humane Society, correct? 23 Q So it would be important to Ben & Jerry's 23 A Correct. 24 that the products are sold as UEP Certified products? 24 Q And you see that one of the complaints of 25 25 A That's correct. the Humane Society in the attached letter, number 42, 219 221 you see in the middle -- again, you can read whatever Q Okay. And you don't have any information that in April 2006 Michael Foods would have been able portion you want -- and it says: Yet Hellmann's egg to present egg products as UEP Certified products? supplier, Michael Foods, doesn't even participate in A Yeah, go back. They buy 70 percent of eggs this inadequate program. You saw that? from marketplace, so they are -- they could buy UEP A I saw that. Certified eggs from marketplace. Q Yeah. And so you understood that the Humane Q Right. Right. And the question becomes: Society was continuing to put pressure on Conopco because Michael Foods was not a member of the UEP Were they -- do you understand they were authorized to use the UEP Certified logo at that time? Certified Program, correct? 10 10 A I don't -- we don't use logos in our A They continue to put pressure on Conopco for 11 11 us to move to a cage-free or animal welfare egg. 12 12 Q Do you -- did you understand that they were Q Okay. But this particular line in the 13 13 able -- that they were permitted as a nonmember to Humane Society letter, March 31st, 2006, that's 14 14 give you some kind of certification that these were attached to Mr. Langan's email, makes a point of the 15 15 **UEP Certified eggs?** fact that Hellmann's egg supplier, Michael Foods, 16 16 A I don't -doesn't even participate in this inadequate industry 17 17 MR. MURRAY: Objection, asked and answered. program. Do you see that? 18 18 A I don't know. A That's what the opinion is. 19 19 Q You don't know? Q Right. They are being critical of you for 20 A I don't know. Certification is on product. doing business with Michael Foods, right? There you have to separate company and product. A They are giving opinion about Michael Foods. Q Okay. I don't understand what that means. They're what? 23 23 A It means the certification is on product and They're giving opinion about Michael's Food. 24 24 company is separate than certification. So, as I said Why -- did you have some understanding as to before, Michael's Food buy 70 percent of their eggs why it was a concern within Conopco to be getting

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222 1 these letters from the Humane Society? 2 A Humane Society is NGO. We respect and work 3 with NGOs. And we have to listen to them. We work 3 dated May 18, 2006, correct?	224
² A Humane Society is NGO. We respect and work ² Q This is an email from Jason Taylor	
This is an email from Jason Taylor	
3 with NGOs. And we have to listen to them. We work 3 dated May 18, 2006, correct?	r to you
ualed May 10, 2000, correct:	•
4 with them. 4 A Looks like.	
⁵ Q What is an NGO? ⁵ Q Okay. You received it at that time?	?
6 A Nongovernment organization. 6 A Looks like.	
7 (Whereupon, request to repeat.) 7 Q Yeah. And you it has: Please so	ee
8 MR. MURRAY: Nongovernment. 8 attached letter regarding Unilever's reques	
THE WITNESS: Nongovernment organization. 9 MFI to use UEP AC eggs for all your egg production.	
¹⁰ Q Why as a company were you concerned about ¹⁰ requirements. Do you see that?	
what the Humane Society thought about your egg	
products? 12 MR. MURRAY: Why is there two Bo	ates numbers
A Why as a company we are concerned? That's a on this?	ates numbers
question should be answered by our government relation 14 MR. GREENE: It's the lower one I to	think is
people. 15 people. 15 the one that matters.	u iii iic io
16 Q Did you have some understanding as to why 16 BY MR. GREENE:	
you were getting these emails forwarding Humane 17 Q The and then there's an attached	d letter
18 Society correspondence? 18 May 16, 2006, and Mr. Taylor writes to you	
19 A I wasn't getting them directly, I was being 19 Foods has received and understands Unil	
forwarded. A Twash t getting them directly, I was being to have all its egg products purchased from	•
to have all its egg products purchased from	
with were they what was your understanding 1 oods to be sourced from eggs produced	
as to willy they were being forwarded to you:	alion
Program. Did fread that fight?	
eggs.	I t- LIED
²⁵ Q Okay. Is it fair to say that your ²⁵ Q Michael Foods has prepared a pro	oposal to UEP
223	225
understanding at the time was the company was which outlines our desire to join the AC pr	-
² concerned about being publicly criticized by the ² therefore once certified, be in the position	
³ Humane Society? ³ your request for compliance. Do you see	that?
⁴ A Correct.	
⁵ Q And that would be a concern for a company ⁵ Q Right. So Michael Foods is telling	you,
6 that sells consumer products like Unilever, correct? 6 first of all, they understood you are now re	equesting
⁷ A We listen to them. We work with them. ⁷ that your eggs be sourced from, from eggs	
8 Q Okay. You don't want to be in a position 8 accordance with the UEP program; is that	correct?
⁹ where the Humane Society is publicly attacking ⁹ A Looks like.	
¹⁰ Conopco, correct? ¹⁰ Q And that's a change from, say, 200	05,
A We don't want to be in that situation.	
12 Q Okay.	
¹³ A But we work with them. ¹³ Q This is a new directive from Unilev	er?
¹⁴ Q Working with whom? ¹⁴ A Looks like.	
¹⁵ A With all NGOs, including Humane Society. ¹⁵ Q Okay. And what Michael Foods is	telling you
Q Right. And one of the things this NGO, the	
Humane Society is telling you is, they're being going to need to get certified, correct?	
critical of you from buying from Michael Foods because 18 A Looks like.	
it's not a member of the UEP Certified Program, 19 Q That's what they're telling you?	
²⁰ correct? ²⁰ A Correct.	
A They're giving an opinion.	to join
(Email, Bates MFI0109730 to MFI0109731, 22 the UEP program at that point; is that right	•
marked as Daga Exhibit 27, as of this date.) 23 A Correct.	
MR. GREENE: This is a let's get the 24 Q What was your reaction to receiving	na this
numbers on the record. MFI0109730 to 31.	5 - ··-

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226 228 (Email Exchange, Bates CPCEGED00103941 to A I don't recall how I reacted. Q Did you -- is this consistent with your CPCEGED00103943, marked as Daga Exhibit 28, as of this date.) understanding that you did, in fact, request all the products to be produced in accordance with UEP BY MR. GREENE: Certified? Q This is an email from you to Tom Langan and Daniel Scheidt dated May 18, 2006, correct? A Correct. Q So you got that -- Mr. Taylor got that part A Correct. correct? Q This is -- comes on top of an email from A Correct. Jason Taylor to you. Do you see that? 10 10 Q Okay. And did you express any objection to 11 11 Michael Foods taking steps to join the UEP Certified Q And do you see the beginning reads: 12 12 Attached above is from Michael Foods on our request of Program? 13 13 A Did I express any opposition or? UEP Certified projects -- products. 14 Q Correct. Did you express any opposition to 14 Then you write: I also understand that UEP 15 15 board has made some changes in their bylaws. This 16 A I don't recall. change can allow Michael Foods to market certified UEP 17 17 Q Did you say no, don't do that, don't join eggs while they phase in UEP cage requirement. Do you 18 18 the program? see that? 19 19 A I don't recall. A I do. 20 20 Q In fact, you wanted Michael Foods to be able Q So you understood at this point in May of 21 21 to provide UEP Certified product, correct? 2006 that UEP was contemplating action that would have 22 22 allowed Michael Foods to market certified UEP A Correct. 23 23 Q Okay. And if Michael Foods is telling you Certified eggs? 24 that in order to provide the product they need to join 24 A Correct. 25 25 the program, then you wanted them to join the program, Q And this was a change? 227 229 correct? A Looks like. A Correct. MR. GREENE: Exhibit 29. Q Mr. Daga, while we're, while we're there. (Email Exchange, Bates CPCEGED00103948 to At any point while you were egg buyer, did CPCEGED00103952, marked as Daga Exhibit 29, as you ever express any objection to Michael Foods being of this date.) a member of the UEP Certified Program? BY MR. GREENE: Q And you'll see that this is an email from A I don't recall I ever expressed any opposition. you. The one at the top -- I'm sorry. MR. GREENE: Exhibit 29, CPCEGED00103948 to Q Did anybody at Conopco ever express any 10 opposition or objection to Michael Foods joining the 952. 11 11 **UEP Certified Program?** Q You see that this is an email from you to 12 12 A I don't recall anybody objected to it. Tom Langan and Sharyn Kolstad. There's some cc's. Do 13 13 Q To the extent you're a 30(b)(6) witness as a 14 14 corporate representative, you're not aware of any such A Yes, I do. 15 15 objection being expressed? Q And it says: Above is a response from 16 16 A I'm not aware of any such objections. Michael Foods on recent press release. I now 17 17 MR. GREENE: Why don't we take a break. understand that MF have decided to join the UEP 18 18 THE VIDEOGRAPHER: The time is 2:47 p.m. program. They have requested the paperwork to get the 19 19 We're going off the record. process started. Do you see that? 20 20 A Yes. (Whereupon, off the record.) 21 21 Q Okay. Initially they will be given license (Whereupon, resumed.) THE VIDEOGRAPHER: The time is 3 p.m. and to use UEP seal as long as they procure eggs from a 23 we're back on the record. certified UEP members. They cannot use the 24 24 MR. GREENE: Exhibit 28. Daga Exhibit 28 is certification for their own production until they CPCEGED00103941 through 943. fully catch up with the cage requirement. Do you see

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230	232
that?	(Email Exchange, Bates CPCEGED00083993 to
A Tuo.	² CPCEGED00083994, marked as Daga Exhibit 30, as of this date.)
Q And was that your understanding in June of 4 2006?	BY MR. GREENE:
5 A I do.	5 Q Daga Exhibit 30. And this is who is Mark
6 Q That Michael Foods had joined?	6 Hauman?
7 A They begin the process.	⁷ A He was my supervisor at some point in time.
8 Q Right. And this would, from your	8 Q So we've got, this is Exhibit 30,
9 perspective, enable them to be able to deliver the UEP	° CPCEGED00083993 to 994. Do you see that?
Certified eggs that Conopco was requesting, correct?	10 A Yes.
A Correct.	Q Okay. And was he, Mr. Hauman, your
Q You also see that there's an attached press	supervisor in August of 2006?
release. Michael Foods at this point is being	13 A Looks like.
attacked for animal welfare issues, correct?	Q Okay. And it looks like Mr. Hauman has
¹⁵ A That's what the press release says.	there's an email from him to Mr to Mr. Vermeulen.
16 Q Yes.	Then there's an email from Mr. Hauman to Nicola Roube?
¹⁷ A Okay.	17 A Nicola Roube.
Q And they've also then attached a response to	¹⁸ Q Nicola Roube. And then an email from
the press item, correct?	¹⁹ Mr. Hauman to you forwarding.
A Response to press item?	A Looks like.
²¹ Q Yes.	Q Do you see that?
²² A Okay.	²² A I do.
²³ Q It looks like there's, if you look, the	Q Okay. And if you look at the email from
first couple pages it looks like someone's forwarding	Mr. Hauman to Ms. Roube: As info, the first we are or
you an article from the Lincoln Journal Star?	our supplier heard that they were being dropped was
231 ¹ A Yeah.	233 the published news comments from B&J's CEO.
Q And then if you go a few pages beyond. Flip	² Michael Foods is in tomorrow.
one more. You get the Michael Foods response.	³ As a company, we just s-h-i-asterisk on a
⁴ A The response to Unilever.	good supplier working with us to meet our new requests
Q Yeah. It's a letter to you responding to	5 and NA IC/we absolutely knew the background and we
6 the press item.	were dealing with this through our government
⁷ A Okay.	7 relations folks.
⁸ Q Is that right?	Okay. Does this refresh your recollection
A That's what it says, yeah.	that Ben & Jerry's dropped Michael Foods as a supplier
Q And you said: Attached is above is a	in August of 2006?
response from Michael Foods on the recent press	A That's what he says, so they made the
release, that's what you're referring to.	announcement, so.
13 A Okay.	Q And that was because of animal welfare
Q Correct:	issues, correct:
A Air right. Sound good.	A LOOKS like.
And the recome a time shortly after that	Kigiit. It wasii t you doi'it lecali ariy
presentin that ben a verry's dropped wholaer reduced	 issue Ben & Jerry had with the quality of the product they were getting from Michael Foods, correct?
 a supplier? A I don't recall that we dropped them as 	19 A That's correct.
20 supplier right after that. We have to we have to	Q Right. No issue at that time regarding the
check the record.	21 price?
²² Q You don't recall that?	22 A That's correct.
23 A I don't recall that.	Q Right. This was all about animal welfare,
24 Q Uhm	24 animal welfare concerns, correct?
25 A Honestly, I don't know.	25 A Looks like.
, ,	

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60 (Pages 234 to 237)

234 236 Q All right. And Mr. -- if you look at one of continue on the Conopco side to purchase from Michael Mr. Hauman's underlying emails here, it says: Michael Foods, correct? A Correct. Foods has been a top supplier for many, many years with a commendable track record -- I'm sorry. Second Q Okay. And you had some concern about page. Towards the top block. And, again, you can dealing with potential backlash, as Conopco was concerned about backlash, why is Conopco continuing to read any portion you want. Michael Foods has been a top supplier for buy from Michael Foods if Ben & Jerry's announced they many, many years with a commendable track record for dropped them? quality, service, and projects in innovation and cost A We were talking about it internally. 10 savings. Did you agree with that statement from Q Is that a fair characterization of what was 11 11 Mr. Hauman? going on internally? 12 12 A Yes, I do. A We were talking about that we have issues 13 13 Q And you did at the time? here. 14 14 A Yes, I did. Q Right. And so you -- did the company then 15 15 Q And so what was occurring at this point is sort of produce these Q&A talking points to address 16 that even an egg products company that was -- had a these concerns? 17 17 commendable record for quality, service, and projects A Looks like that's what they've done. 18 18 in innovation and cost savings could lose business Q And the -- and so, for example, the company, 19 19 because of animal welfare issues; is that fair? the first question that's on Exhibit 31: Why is 20 20 Unilever United States continuing to use its egg A Quite possible. 21 21 Q And that was happening at the time, correct? supplier, Michael Foods, when Ben & Jerry's severed 22 22 A Looks like. its relationship because of information from the 23 23 MR. GREENE: Daga Exhibit 31. Humane Society of the U.S. regarding inhumane hen 24 24 (Q&A, Bates CPCEGED00104052 to treatment at Michael Foods facilities. Do you see 25 25 CPCEGED00104055, marked as Daga Exhibit 31, as that? 235 237 of this date.) I do. MR. GREENE: This is CPCEGED00104052 through Q And part of the answer to your question, in answer one, Conopco's answer is: To that end, BY MR. GREENE: Unilever United States is currently working with our Q It reads on top Draft: Privileged and egg supplier to transition its egg production Confidential: For Discussion Purposes Only 9/22/06, operations to meet the United Egg Producers Certified 3:00 p.m., Egg Production Supplies Q&A. Do you standards for hen welfare. Do you see that? recognize this document? A I do. A I don't recall this. Q And is that a fair characterization that at Q You do recall it? this point Conopco was working with Michael Foods to 11 11 A I don't. transition Michael Foods' egg production operations? 12 12 Q You don't recall it. I'm sorry. That was A Correct. 13 an error on my part, I don't want to put words in your 13 Q Okay. And so -- and this was a point that 14 14 you were making or prepared to make publicly in order 15 15 You don't recall it? to deflect criticism based on animal welfare concerns, 16 16 correct? 17 17 MR. MURRAY: Objection --Q Do you recall at this point that there was 18 18 concern within Conopco about pressure from the Humane A I don't know. 19 19 Society regarding purchases from Michael Foods? MR. MURRAY: -- to the form of that 20 A We were talking about it internally. auestion. 21 21 Q You were concerned that the -- Ben & Jerry's MR. GREENE: I will withdraw it. 22 had dropped Michael Foods, correct? Q Is it fair to say that at this point that 23 23 A Ben & Jerry made announcement they're Conopco was using Michael Foods' decision to join the 24 dropping Michael's Food. UEP Certified Program in its press relations efforts Q And there was concern you were going to to deflect animal welfare criticism?

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238	240
¹ MR. MURRAY: Objection to the form of the	¹ MR. MURRAY: Well, let me just ask him who
² question. Lack of foundation.	some of these people are.
3 A I don't know.	3 MR. GREENE: Let's go off the record.
4 Q Would you know why these documents were	4 MR. MURRAY: Real quick.
5 created?	5 THE VIDEOGRAPHER: The time is 3:18 p.m.
6 A Do I know why? It looks like it's questions	We're going off the record.
and answers.	7 (Whereupon, off the record.)
	, , , , , , , , , , , , , , , , , , , ,
Q Questions and answers from whom?	(whereupon, resumed.)
A Troil whom: They were draited by somebody in	THE VIDEOGRAFILIX. The time is 5.21 p.m. and
our company.	we're back on the record.
Q Do you know what questions that they were	WIN. GIVELINE. We're back on the record.
contemplating of anticipating:	Mr. Murray warns to claw back, based on
A I don't I didn't draft this one, so I	concerns over privilege, the first three pages,
don't know.	CPCEGED01983 to 985 that were previously part of
MR. GREENE: Number 32?	Exhibit 32. We'll reserve our rights on that,
THE COURT REPORTER: Yes.	but for present purposes I'm fine with that.
(Email Exchange, Bates CPCEGED00103986 to	So we're going to call Exhibit 32, and the
¹⁸ CPCEGED00103990, marked as Daga Exhibit 32, as	only exhibit that will go into this record, the
of this date.)	document that begins CPCEGED00103986 through 990.
²⁰ MR. GREENE: Daga Exhibit 32, CPCEGED00	ls that correct?
MR. MURRAY: Hold on a second.	MR. MURRAY: Yes.
MR. GREENE: Okay. Did I make a mistake?	MR. GREENE: Okay.
MR. MURRAY: This may be a bm.com might	BY MR. GREENE:
be a law firm. We might claw this back.	Q Mr. Daga, I want to direct your attention to
MR. GREENE: Let me get the numbers on the	the email that you sent on Thursday, September 7,
¹ record. ² MR. MURRAY: Okay.	 2006, 4:07 p.m. at the bottom of the first page here. The recipients here are well, can you identify who
3 MR. GREENE: Daga Exhibit 32,	these people are that you're sending it to?
4 CPCEGED00103983 to 103990.	A These are all internal Unilever people.
5 MR. MURRAY: I think this is the law firm.	5 Q Who is Mike Bauer?
Steven Miller. We're gonna, we're gonna claw	⁶ A Businessperson. Marketing. Marketing
⁷ this back.	⁷ person.
8 MR. GREENE: All right. Let me draw your	8 Q And Joe DiRaddo?
9 attention to	⁹ A Supply chain.
¹⁰ MR. MURRAY: We're clawing it back.	¹⁰ Q Dana Emery?
¹¹ MR. GREENE: I know. But I'm asking, while	A Business marketing.
we're on the record, I want to make sure that I'm	¹² Q Mark Hauman?
precluded from asking about a particular portion	¹³ A Purchasing.
of it that you may not be clawing back.	Q And you're the person who you reported to at
15 If you look at the page that ends 986, at	this point?
the bottom of the page actually, it's page 4	¹⁶ A Correct.
of this document. There's an email from Ramesh	¹⁷ Q Tom Langan?
Daga to Mike Bauer, Joe DiRaddo, Dana Emery,	A Government relation.
copied to Hauman, Langan and Plaza, and that's	¹⁹ Q And Renee Plaza?
the document, that's the correspondence I want to	And Reflee Plaza: A Factory manager.
question about. Is there anything about that	Q All right. And this is an email from you to
22 particular correspondence that precludes me from	All right. And this is an email from you to
·	those marviadais and you sent this approximately
	September 7, 2006, correct?
questioning: If not, then what I would agree to	24 A Correct
questioning: If not, their what I would agree to	A Correct. Q And, again, you can read whatever portion of

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242 244 it you want. I'm going to direct you to the last something to our corporate image. couple paragraphs. Q So by Michael Foods joining UEP Certified, it puts Conopco in a better position to defend itself A Okay. Q It said: Proactively, we are working with against animal welfare criticism; is that correct? our current egg supplier Michael Foods to quickly A Against any criticism, including animal convert our eggs to an industry standard called UEP welfare. (United Egg Producers). Do you see that? MR. GREENE: Exhibit 33, Daga Exhibit 33. (PowerPoint, Bates CPCEGED00066366 to And was that an accurate statement? CPCEGED00066373, marked as Daga Exhibit 33, as 10 Correct. 11 11 BY MR. GREENE: Q You were working with Michael Foods at that 12 12 time? Q Do you recognize Daga Exhibit 33? 13 13 MR. GREENE: By the way, I should read into A Correct. 14 14 the record, CPCEGED00066366 through 373. Q And to quickly convert their eggs to UEP? 15 15 A Correct. Q This is a document that's titled Certified 16 Q And it says: Per attached presentation from Humane Cage Free Egg Yolk for Ben & Jerry's, January 17 17 Michael Foods, they are fully committed to make this 2007, and it has your name Ramesh Daga on it. Do you 18 happen. Do you see that? see that? 19 A I do. A I do. 20 20 Q Okay. And then it says: We have told them Q This is a document you prepared? 21 21 clearly to make this happen by January 2007. Do you A Yes, I did. 22 22 see that? Q Okay. What was the purpose of this 23 A I do. 23 document? 24 Q And was that a correct statement? 24 A It's again one of those monthly or 25 25 That's correct. periodically market report. 243 245 Q And if you look at the page that's marked as Q Conopco told Michael Foods clearly to convert to UEP Certified by January 2007; is that page number 6. It appears that you were looking at correct? identifying finalists to serve as suppliers. Do you A That's correct. recall this? Q Okay. Then I'm going to go to the next A I do. paragraph, but, again, you can read any portion you'd Q What is -- what were the -- looking at page 6. What were Michael Foods and Hidden Valley It says: UEP standard will probably not Ranch identified as finalists for? going to if I Humane Society. However, it will put us A Hidden Villa Ranch. Q Hidden Villa Ranch. Sorry. in better position to defend in case they try to use 11 11 B&J tactic on Unilever retail foods. Can you explain 12 what you meant by that? Q What were they identified as finalists for? 13 13 A So they may have asked Ben & Jerry to go A They were two potential supplier to supply 14 14 cage free, and that's a much higher standard than UEP Ben & Jerry. 15 15 Q And you identified pros and cons for both 16 16 Q So you say: It will put us in better Hidden Villa Ranch and Michael Foods, correct? 17 17 position to defend. What does "better position to A Looks like. 18 defend" mean? Q And it looks like Michael Foods was less 19 19 A It means we're moving up from wherever we expensive, correct? 20 were to a better standard, so we improved. A They say that. 21 Q I understand better standard. What does the Q If you look at Disadvantage from Hidden phrase "put us in better position to defend," to Villa Ranch. 23 23 24 24 A To defend in case there's any kind of issues Q Price is about 10 percent a pound higher versus Michael Foods. Do you see that? that we are not good corporate citizen, we are --

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	03 (1 uges 2+0 to 2+7)
246	248
¹ A I do.	¹ Q Yeah. And those are both people associated
² Q And of course the next page on Benefits from	with Ben & Jerry's, correct?
Michael Foods, about 10 cents a pound cheaper than	³ A Steve Vermeulen worked for Conopco.
4 Hidden Villa Ranch, right?	Q And Daniel Scheidt is associated with Ben &
5 A Right.	5 Jerry's?
Q Okay. They also had a plant in New Jersey,	⁶ A Ben & Jerry.
7 correct, Michael Foods?	Q Okay. And Mr. Vermeulen writes: Here is
8 A Looks like, yes.	the direction we want to take on eggs for the Ben &
⁹ Q And that, that helped with temperature	⁹ Jerry's branded products. The business is not
issues and transportation, correct?	comfortable using Michael Foods at this time for the
A mat s what he says, and yes, that s right.	Ben & Jerry brand. The risk of negative press is too
Q That has to do with being able to ship from	great. Do you see that?
close to a location, correct:	A I do.
A LOOKS like.	Q 50 even though you had recommended whenaer
Q So the closer you are to a location, the	1 oods based on price and logistics advantages, the
less of all issue you have with the product going bad	decision was made to not use whichael i dous, correct:
in transportation, correct:	A rie s recommending. This doesn't require, it
A Correct.	doesn't say decision alleady made.
Q Okay. 30 Michael I 3003 flad a price	Q Do you know what the decision was that was
advantage and it had a transportation advantage,	maue:
correct? A Looks like.	A Tuon trecan what was the decision.
A LOOKS like.	it says down the the page about hallway
Q And on the final page you write or, I'm	down. Proceed with hidden villa Kanch. Are you
Sorry. The linar page of this document, page o.	Saying there was still some uncertainty at this point:
Supply management strongly recommends Michael Foods as	A I don't recall how it turned out to be, but
247	249
¹ a UEP and cage-free eggs supplier and it says die	based upon this email they are recommending.
but I'm assuming that's due to many strategic	² Q You say "proceed with Hidden Villa Ranch" is
business relations. Is that correct?	3 not a decision?
⁴ A That's what it says, yes.	A I don't know what was the decision. We have
⁵ Q Okay. So you strongly recommended Michael	to look in the record what decision we actually made.
⁶ Foods, correct?	Q You don't read "proceed with Hidden Villa
7 A Correct.	7 Ranch" as a decision?
8 Q And that was you, correct?	8 A Not correct. It may have been made, the
⁹ A That's correct.	g decision may have been made that way.
¹⁰ Q All right.	10 Q Okay.
11 (Email, Bates CPCEGED00086685, marked as	A But based on this note it doesn't quite
Daga Exhibit 34, as of this date.)	imply that that was the decision made.
13 BY MR. GREENE:	Q But the way you read Mr. Vermeulen's email,
¹⁴ Q I'll point out that your Exhibit 33, that	the reason that Ben that he was recommending not
presentation we just looked at, was dated January	using Ben & Jerry's wasn't because of the price?
¹⁶ 2007. Do you see that?	16 A Correct.
17 A I do.	Q It wasn't because of quality?
¹⁸ Q Okay. And this is an email, Exhibit 34,	18 A Correct.
which is CPCEGED00086685, is an email from Steve	Q It was solely because of animal welfare
Vermeulen to you copying Daniel Scheidt, correct?	issues and the potential for negative press, correct?
A Correct.	A Correct.
²² Q And you received that from Mr. Vermeulen?	²² MR. GREENE: 35.
²³ A Looks like.	(Email, Bates CPCEGED00104061, marked as
²⁴ Q On January 11, 2007?	Daga Exhibit 35, as of this date.)
²⁵ A Looks like.	25

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_		04 (Pages 230 to 233
	250	252
1	BY MR. GREENE:	¹ correct?
2	Q I'm showing you what's marked as Daga	² A That's what it implies, yes.
3	Exhibit 35, CPCEGED00104061.	³ Q And that was your understanding at the time,
4	This is an email from you to Tom Langan,	4 correct?
5	January 17, 2008. Do you see that?	5 A Correct.
6	A I do.	6 MR. GREENE: Let's go off the record.
7	Q The subject is cage free.	7 THE VIDEOGRAPHER: The time is 3:35 p.m.
8	A Yes.	We're going off the record.
9	Q You write: Tom and who is Mr. Langan, by	(Whereupon, off the record.)
10	the way?	(Whereupon, adjourned for the day at 3:35
11	A Government relation director.	
12		p.m., to be continued mursually, warch 13, 2014,
13	Q Government relations?	at 1:00 p.m.)
14	A Government relations director.	14
	Q I happen to talk to Mike on something on	
15	some on something and brought above question to his	15
16	attention.	16
17	Well, let me skip you can read again	17
18	whatever you'd like, I'm going to skip to the third	18
19	sentence or so.	19
20	Do you know what the what occasioned this	20
21	email?	21
22	A I don't recall what occasioned that.	22
23	Q What, what withdrawn.	23
24	It says: Our supplier, Michael Foods, is on	24
25	schedule to get full UEP certification by Q3 of this	25
	•	
	251	253
1	year. Do you see that?	ACKNOWLEDGMENT OF DEPONENT
2	A Ido.	2
3	Q Is that correct? Did I read that correctly?	3 I,, do hereby
4	A That's what the email says.	acknowledge that I have read and examined the
5	Q Right. And was that your understanding at	foregoing testimony, and the same is a true, correct
6	the time in January of 2008 that Michael Foods was on	and complete transcription of the testimony given by
7		and complete transcription of the testimony given by
8	schedule to get full UEP certification by Q3 of that	me, and any corrections appear on the attached Enata
	year?	Sheet signed by me.
	A Thetle what amail anial thatle what amail	9
9	A That's what email said, that's what email	
9	implied.	10
9 10 11	implied. Q And that was your understanding at the time?	10
9 10 11 12	implied.Q And that was your understanding at the time?A Back then.	10 11 12 (DATE) (SIGNATURE)
9 10 11 12 13	implied. Q And that was your understanding at the time?	10 11 12 (DATE) (SIGNATURE) 13
9 10 11 12 13	implied.Q And that was your understanding at the time?A Back then.	10 11 12 (DATE) (SIGNATURE) 13 14
9 10 11 12 13	implied.Q And that was your understanding at the time?A Back then.Q Right. And then you write: They started	10 11 12 (DATE) (SIGNATURE) 13
9 10 11 12 13	 implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. 	10 11 12 (DATE) (SIGNATURE) 13 14
9 10 11 12 13 14	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that?	10 11 12 (DATE) (SIGNATURE) 13 14 15
9 10 11 12 13 14 15	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes.	10 11 12 (DATE) (SIGNATURE) 13 14 15 16
9 10 11 12 13 14 15 16	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17
9 10 11 12 13 14 15 16 17	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods?	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18
9 10 11 12 13 14 15 16 17 18	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods? A Correct. Q And "this effort" is the effort to become	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18 19
9 10 11 12 13 14 15 16 17 18 19	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods? A Correct. Q And "this effort" is the effort to become certified?	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18 19 20
9 10 11 12 13 14 15 16 17 18 19 20 21	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods? A Correct. Q And "this effort" is the effort to become certified? A UEP Certified.	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18 19 20 21
9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods? A Correct. Q And "this effort" is the effort to become certified? A UEP Certified. Q UEP Certified. So what you're saying here	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18 19 20 21
9 10 11 12 13 14 15 16 17 18 19 20 21	implied. Q And that was your understanding at the time? A Back then. Q Right. And then you write: They started this effort based upon our request early last year. Do you see that? A Yes. Q And the "they" there is a reference to Michael Foods? A Correct. Q And "this effort" is the effort to become certified? A UEP Certified.	10 11 12 (DATE) (SIGNATURE) 13 14 15 16 17 18 19 20 21 22 23

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254	
1 CERTIFICATE	
2	
 I, JOSEPHINE H. FASSETT, a Registered Professional Reporter Certified Court Reporter and 	
 Professional Reporter, Certified Court Reporter, and Notary Public within and for the State of New York, do 	
6 hereby certify that the witness, whose videotaped	
deposition is hereinbefore set forth, was first duly	
sworn by me on the date indicated, and that the	
 foregoing videotaped deposition is a true and accurate record of the testimony given by such witness. 	
11	
12 I FURTHER CERTIFY that I am not employed by	
nor related to any of the parties to this action by	
 blood or marriage, and that I am in no way interested in the outcome of this matter. 	
16 In the outcome of this matter.	
JOSEPHINE H. FASSETT, RPR, CCR	
19 NCRA License No. 32148 20 CCR License No. 30Y10008400	
 CCR License No. 30XI00098400 New York Notary Public 	
22	
23	
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